

CONTRACT APPROVAL

SUGGESTED MOTION:

Move to approve the following contracts submitted by respective department head, subject to State's Attorney approval, and authorize the Chairman to sign.

Received as of February 15, 2023:

- Flood lot lease renewal for 2023;
- Central Specialties, Inc.—contract documents for the subgrade repair and aggregate surface course;
- R.J. Zavoral and Sons, Inc.—contract documents for grading, cement stabilization, salvaged base course, and incidentals on Cass Highway 16;
- Gladen Construction, Inc.—contract documents for grading, aggregate surfacing, culvert installation, and incidentals on 36th Street SE;
- Leisure Interactive, LLC—agreement for online reservation system for Brewer Lake Campground.

LEASE OF PROPERTY

THIS LEASE is made by and between Cass County, North Dakota (hereinafter "County") and Trenton Allen, 1114 71st Avenue South, Fargo ND 58104-7309 (hereinafter "Lessee").

THE PARTIES HEREBY COVENANT AND AGREE AS FOLLOWS:

1. Property: The County hereby offers to lease, and the Lessee agrees to lease, the property situated in the Township of Stanley, County of Cass, State of North Dakota, described as: Lot 8 Block 3, Chrisan 2nd Addition Parcel No. 64-0400-00210-000 also known as 7105 Chrisan Blvd (hereinafter "property").
2. Term: The term of this lease shall commence on January 1, 2023, and expire at midnight on December 31, 2023.
3. Rent: Rent shall be \$10 dollars per year, payable in advance of the commencement day, to the County by and through the Cass County Auditor at the address given in the section herein entitled Notices.
4. Use: The property shall only be used for purposes consistent with those contained in Exhibit 1 (attached). Furthermore, the property shall not be used for, among other purposes, parking vehicles; building any kind of structure without prior written approval of the County; storage of any kind of equipment or personal property; placement of any signs; raising or keeping of animals; or disposal of any kind of materials, whether hazardous or not. The determination of compliance with these limitations on use of the property shall be at the County's sole discretion.
5. Maintenance: The portion of the lot visible to the general public shall be mowed a minimum of once per month during the growing season.
6. Delivery of Possession: Lessee acknowledges that Lessee has inspected the property and accepts it as suitable for the purpose and use described in this Lease and that the property then complies with the use limitations.
7. Insurance: At all times during the term of this Lease, Lessee shall maintain at Lessee's sole expense, public liability and property damage liability insurance in an amount not less than \$500,000. Lessee shall deliver to County a copy of the certificate of insurance prior to the commencement, and renewal if applicable, of this Lease. County makes no representation that the limits of liability specified herein are adequate to protect Lessee.

8. Indemnification: County shall not be liable for any damage to Lessee, or any other person, or to any property, occurring on the premises or any part thereof, unless such damage is the proximate result of the negligence or an unlawful act of the County. Lessee agrees to hold the County harmless from any claims for damages occurring on the property, no matter how caused, except for injury damages for which County is legally responsible.
9. Ordinances and Statutes: Lessee shall comply with all statutes, ordinances and requirements of municipal, state and federal authorities.
10. Assignment and Subletting: Lessee shall not assign this Lease or sublet any portion of the property without prior written consent of the County.
11. Entry/Inspection of Property: Lessee shall permit County or County's agents to enter and inspect the property at any reasonable time for the purpose of verifying compliance with the terms of this Lease.
12. Maintenance: Lessee shall, at his/her own expense, and at all times, remove snow from any sidewalks, keep the property clear of rubbish or weeds, regularly mow the grass, irrigate or water the property in a manner sufficient to maintain the property but not in a manner inconsistent with governing statutes, ordinances or rules.
13. Default - Event: Lessee will be in default of this Lease for failure to timely pay any rent, or failure to abide by any material terms or conditions of this Lease including, but not limited to, the limitations on use of the property, and such default continues for ten (10) days after written notice from County.
14. Default - County's Remedies: If any one or more of the default events set forth herein occurs, then the County may, in its sole discretion, do one or more of the following:
 1. Give Lessee written notice of its intention to terminate this Lease on the date of such notice, or on any later date that the County may specify in such notice. On the date so specified in such notice, Lessee's right to use of the property will cease and the Lease will be terminated.
 2. Remove personal property and/or other materials that reflect an inappropriate use of the property, and charge Lessee a reasonable sum for removal, storage or/and disposal of such items.
 3. Collect all reasonable attorney fees, costs and disbursements that may arise as a result of any suit filed as a result of Lessee's default.
 4. Exercise such rights or remedies that may be provided by law.

15. Notices: Any notice which either party may or is required to give, may be given by mailing the same, postage prepaid, to the Lessee or County at the respective addresses given below, or at such other places as may be designated by the parties in writing from time-to-time, or may be delivered in person.

County: 211 9th Street South, P.O. Box 2806, Fargo, ND 58108-2806

Lessee: 1114 71st Avenue South, Fargo ND 58104-7309

16. Binding Effect: All the provisions hereof shall extend to and be binding upon, and in favor of or against (as the case may be), the heirs, executors, administrators, guardians, assigns and successors in interest of the parties hereto.
17. Severability: If any provision of this Lease should be found invalid or unenforceable, then the rest and remainder of the provisions shall remain valid and enforceable.
18. Entire Agreement: This Lease represents the entire agreement between the parties and there are no collateral or oral agreements or understandings and any executory agreement hereafter made shall be made ineffective to change, modify or discharge this lease, in whole or in part, unless such agreement is in writing and signed by the party against whom enforcement of the change, modification or discharge is sought.
19. Construction: All provisions hereof and words and phrases used herein shall be governed and construed under the laws of the State of North Dakota.
20. Time is of the Essence: Time is of the essence for each term and provision of this lease.
21. Effective Date: The effective date of this lease is January 1, 2023, regardless of the day that the parties may have signed this agreement.

IN WITNESS WHEREOF, the parties hereto affix their signatures:



Lessee

Cass County

By: Chair
Cass County Commission

EXHIBIT 1

Additional Lease Terms and Conditions

WHEREAS, Cass County North Dakota became the rightful owner of certain real property, more fully described in the attached Lease, through the use of certain disaster relief funds under Section 404 of the Stafford Act; and

WHEREAS, the terms of the Stafford Act, and related regulations and agreements (e.g., FEMA-State Agreement) require that Cass County agree to conditions which are intended to restrict the use of the land to open space in perpetuity in order to protect and preserve natural flood plain values;

NOW, THEREFORE, the attached Lease is made subject to the following additional terms and conditions:

1. Terms. Pursuant to the terms of the Stafford Act, regulations promulgated thereunder (44-C.F.R. 206-434), as they read now and may be amended in the future, and the FEMA-State Agreement, the following conditions and restrictions shall apply to the leased property:
 - (a) Compatible Uses. The land shall be used for purposes compatible with open space, recreational, or wetlands management practices; in general, such uses include parks for outdoor recreational activities, nature reserves, unimproved previous parking lots and other uses described in 44 C.F.R. Section 206-434, as it reads now and may be amended in the future.
 - (b) Structures. No new structures shall be erected on the property other than:
 - (1) a public facility that is open on all sides and functionally related to the open space use;
 - (2) a restroom; or
 - (3) a structure that is compatible with the uses described in Paragraph 1(a), above, and approved by Cass County in writing prior to the commencement of the construction of the structure.
2. Inspection. FEMA, its representatives, and assigns, including Cass County, shall have the right to enter upon the property, at reasonable times and with reasonable notice, for the purpose of inspecting the property to ensure compliance with the above terms.
3. Enforcement. Any violation of these terms may, at Cass County's sole discretion, be deemed a default with all the rights and remedies available under the attached Lease.



Highway Department


Jason Benson, P.E.
County Engineer

Thomas B. Soucy, P.E.
Deputy County Engineer

Blaine Laaveg
Superintendent

MEMORANDUM

TO: Cass County Commission

FROM: Jason Benson, Cass County Engineer 

DATE: February 9, 2023

SUBJECT: Consent Agenda Item for February 21, 2023 Commission Meeting: SRF-0009(057) – Subgrade Repair & Aggregate Surface Course.

Attached are the contract documents with Central Specialties, Inc. for Subgrade Repair & Aggregate Surface Course on 22nd St SE from Cass County Hwy 5 to 146th Ave SE and 146th Ave SE from 22nd St SE to the Brewer Lake Campground Access Road in Cass County.

SUGGESTED MOTION: AUTHORIZE CHAIRPERSON TO SIGN CONTRACT DOCUMENTS WITH CENTRAL SPECIALTIES, INC. FOR THE SUBGRADE REPAIR & AGGREGATE SURFACE COURSE ON THE CASS COUNTY HIGHWAY STATED ABOVE SUBJECT TO STATE'S ATTORNEYS APPROVAL.

1201 Main Avenue West
West Fargo, North Dakota
58078-1301

701-298-2370
Fax: 701-298-2395

J:\Admin-Eng\Commission Corrsp\2023 Commission Correspondence\SRF-0009(057) BREWER LAKE ACCESS ROAD\Agenda Memo SRF-0009(057) CSI.docx.docx

CONTRACT APPROVAL REQUEST

COMPANY REQUESTING CONTRACT:

Central Specialties, Inc., 6325 County Road 87 SW, Alexandria, MN 56308

DATE OF REQUEST: February 9, 2023

DATE OF EXPECTED RETURN TO THE COMMISSION OFFICE: February 21, 2023

DEPARTMENT HEAD REQUESTING SIGNATURE: **Jason Benson, 701-298-2372**



STATE'S ATTORNEY SIGNATURE: _____

STATE'S ATTORNEY COMMENTS: _____

PORTFOLIO COMMISSIONER SIGNATURE: _____

Request for bids for Subgrade Repair & Aggregate Surface Course on 22nd St SE from Cass County Hwy 5 to 146th Ave SE and 146th Ave SE from 22nd St SE to the Brewer Lake Campground Access Road in Cass County was received.

<u>Engineer's Estimate</u>	<u>SRF-0009(057)</u>	<u>Total</u>
	\$839,426.50	\$839,426.50

The bids were received as follows:

<u>Contractor</u>	<u>SRF-0009(057)</u>	<u>Total</u>
Central Specialties, Inc.	\$830,565.90	\$830,565.90
Gladen Construction, Inc.	\$851,717.60	\$851,717.60
Border States Paving	\$991,854.30	\$991,854.30

SUGGESTED MOTION: AUTHORIZE CHAIRPERSON TO SIGN CONTRACT DOCUMENTS WITH CENTRAL SPECIALTIES, INC. FOR THE SUBGRADE REPAIR & AGGREGATE SURFACE COURSE ON THE CASS COUNTY HIGHWAY STATED ABOVE SUBJECT TO STATE'S ATTORNEYS APPROVAL.

**CASS COUNTY HIGHWAY DEPARTMENT
CONTRACT**

This agreement made and entered into by Cass County, North Dakota, party of the first part, and **Central Specialties, Inc., 6325 County Road 87 SW, Alexandria, MN 56308** party of the second part (hereinafter called Contractor), WITNESSETH:

1. That for and in consideration of the payments to be made by the party of the first part, the contractor promises and agrees to furnish and deliver all labor, equipment, and materials, and to pay or cause to be paid as they become due, all claims for any work, labor, materials, equipment, including equipment rental or repair, and other supplies or insurance premiums, all of which are attributable to or utilized in and about the improvement and construction of **Project SRF-0009(057)**. In accordance and in conformity with the provisions of this contract, the project proposal, the standard specification, supplemental specifications, special provisions, and all of which are hereby made a part of this agreement as fully and to the same effect as if the same had been set forth in the body of this agreement. References in the Standard Specifications for Road and Bridge Construction, 2022 edition, to the North Dakota Department of Transportation or Department must be construed as referring to the owner. Likewise, a reference by the same works to engineer or director must be construed as referring to the owner of the project.

2. The party of the first part agrees and promises to pay to the Contractor for said work, when completed and accepted in accordance with the provisions of this contract, the price set forth in the said proposal, amounting approximately to **Eight Hundred Thirty Thousand, Five Hundred Sixty Five Dollars and Ninety Cents (\$830,565.90)** payments to be made as provided in said specifications upon presentation of the proper certificates of the County Engineer, or his representatives, and under the terms of this contract.

3. The said work shall be done in accordance with the terms of this contract, and the laws of the State of North Dakota, under direct supervision and to the entire satisfaction of the County Highway Department, subject at all times to the inspection and approval of the engineer.

4. The decision of the engineer upon questions connected with the execution of this agreement or any failure or delay in the prosecution of the work by the Contractor shall be final and conclusive.

5. In the employment of labor, other things being equal, preference shall be given to honorably discharged Veterans of the Armed Forces, and bona fide North Dakota residents, as determined by NDCC Section 43-07-20.

6. The Contractor shall begin construction work when so ordered by the Cass County Highway Department and shall maintain at all times thereon a maximum and efficient working force necessary to complete the work within the time established by this contract.

IN WITNESS THEREOF, the parties to this contract have set their hands and seal this ____ day of _____ 2023.

CASS COUNTY NORTH DAKOTA

Chairperson, Cass County Board of Commissioners

Contractor

WITNESS TO CONTRACTOR'S SIGNATURE

By _____

Title _____

CASS COUNTY HIGHWAY DEPARTMENT
CONTRACT BOND

Project No. SRF-0009(057)

KNOW ALL PERSONS BY THESE PRESENTS, that we Central Specialties, Inc., 6325 County Road 87 SW, Alexandria,

MN 56721 as principal, and _____
NAME AND ADDRESS OF SURETY

as surety, are held and firmly bound unto Cass County, North Dakota, as owner in the penal sum of Eight Hundred Thirty Thousand, Five Hundred Sixty Five Dollars and Ninety Cents (\$830,565.90) for the use of the owner and also for the use of any person having any lawful claim against the principal or any subcontractor on account of labor or supplies or materials as set forth in the conditions hereof; for the payment of which well and truly to be made we jointly and severally bind ourselves, and each of our heirs, executors, administrators, and successors, firmly by these presents.

WHEREAS, said principal has entered into a written contract with the owner for: _____
_____;

Type of Work: Subgrade Repair & Aggregate Surface Course

SRF-0009(057), in Cass County, North Dakota, which contract and incorporated plans and specifications are by this reference made a part hereof, and are hereinafter referred to as the contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS THAT if the principal shall: (1) perform all the terms, covenants and conditions of said contract; (2) protect the owner against any loss or damage from any cause arising out of said contract; (3) pay or cause to be paid all bills and claims against the principal or any subcontractor on account of labor or services performed and all materials, equipment or supplies furnished, whether directly or indirectly arising out of the performance of said contract; (4) pay all insurance premiums and all items for which payment under the terms of the contract is to be made or guaranteed by the principal; (5) have made or will make, prior to the commencement of any work by the principal or any subcontractor under such contract, full and true report to the Worker's Compensation Bureau of the payroll expenditures for the employees to be engaged in such work, and that the principal has paid, or will pay, the premium thereon prior to the commencement of such work; (6) pay or cause to be paid all contributions due to the Unemployment Compensation Division; and (7) pay or cause to be paid any and all taxes that may be assessed or levied or to be a charge against such contractor or any subcontractor under such contract by the state or any of its subdivisions; then this obligation shall be null and void; otherwise it will remain in full force and effect.

And the said surety hereby stipulates and agrees that any change, extension, alteration, deduction or addition, with or without notice to the surety, in or to the terms of said contract or the plans or the specifications accompanying the same as provided for therein, shall not in anywise affect the obligation and liability of said surety on this bond.

SIGNED and SEALED this _____ day of _____ 2023.

(SEAL OF PRINCIPAL)

PRINCIPAL

By: _____

Title: _____

SURETY

COMPLETE MAILING ADDRESS

(SEAL OF SURETY)

By: _____

Title: _____

COMPLETE MAILING ADDRESS

IMPORTANT NOTICE

An individual doing business under a firm name must give both names, and the individual shall designate himself as sole owner.

If a partnership, so state, and at least one member of such partnership must sign.

If a corporation, the full corporate name must be used and the execution must be by an officer of the corporation.

Any other person executing for the principal or surety must attach a power of attorney.

NOTICE TO SURETY

Section 26.1-03-01, N.D.C.C. Provides:

"Limitation on risks acceptable by company. An insurance company transacting an insurance business in this state may not expose itself to loss on any one risk or hazard to an amount exceeding ten percent of its paid-up capital and surplus if a stock company, or ten percent of its surplus if a mutual company, unless the excess is reinsured."

If excess reinsurance agreements are required on this bond, an affidavit executed by an officer of the surety shall be attached, stating that such reinsurance agreements have been entered into and are in effect at the time the bond is executed, giving the name an address of all companies with whom such agreements have been entered, and that copies of such reinsurance agreements will be furnished to the North Dakota commissioner of insurance.

ACKNOWLEDGMENT OF PRINCIPAL

State of _____

ss.

County of _____

On this _____ day of _____ 2023, before me a notary public in and for the state of

_____, personally appeared _____, known to me to be

(title) of the principal described in the within instrument and who executed the same and acknowledged to me that the same

was executed for and on behalf of said principal.

Notary Public, State of _____

(Notary Public must print or type name here.)

(NOTARY SEAL)

My Commission expires _____

ACKNOWLEDGMENT OF SURETY

State of _____

ss.

County of _____

On this _____ day of _____ 2023, before me a notary public in and for the state of _____, personally appeared _____, known to me to be (title) of the surety described in the within instrument and who executed the same and acknowledged to me that the same was executed for and on behalf of said surety.

Notary Public, State of _____

(Notary Public must print or type name here.)

(NOTARY SEAL)

My commission expires _____

Approved as to form this _____ day of _____ 2023.

Cass County States Attorney

Approved by owner this _____ day of _____ 2023.

By _____
Chairperson, Cass County Board of Commissioners



PURCHASE ORDER

PAGE: 1
 PO. NO.: 154120
 DATE: 02/10/23

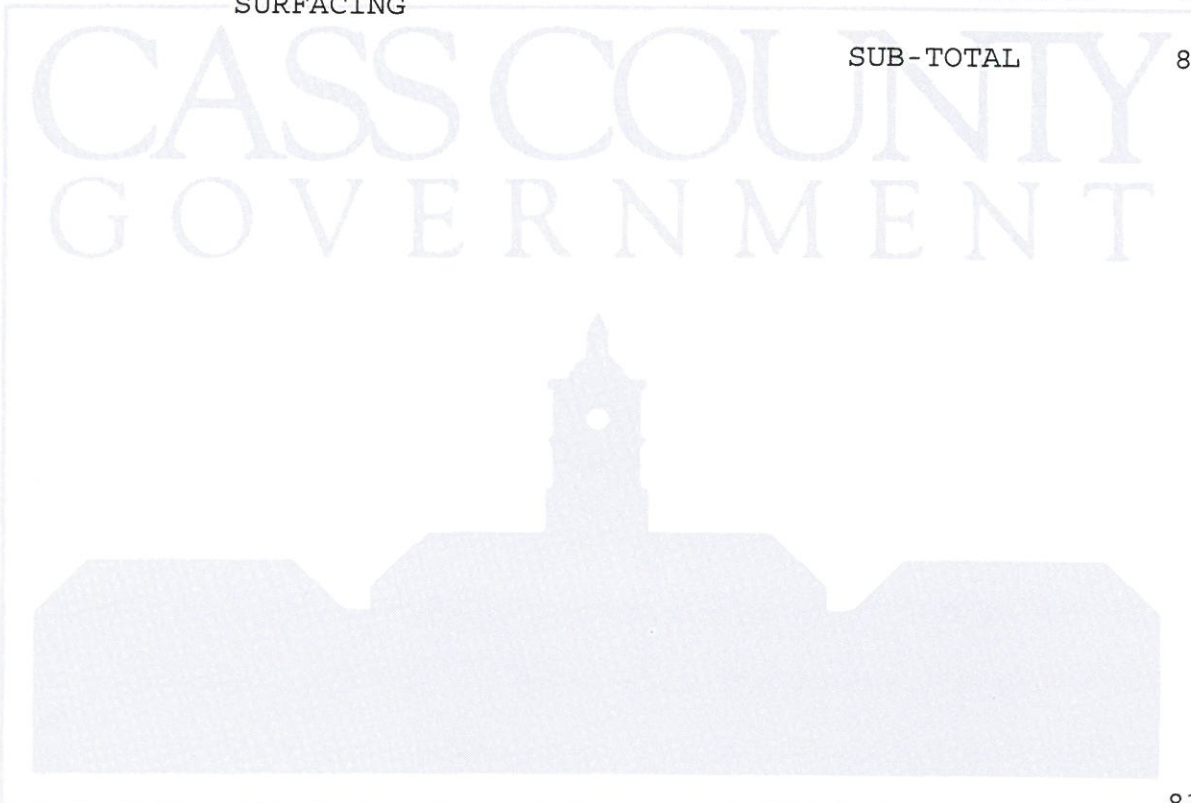
N.D. Sales Tax Exempt No. E-3009

CENTRAL SPECIALTIES, INC.
 6325 CO ROAD 87 SW
 ALEXANDRIA, MN 56308

SHIP TO: CASS COUNTY GOVERNMENT
 COUNTY ENGINEER
 1201 WEST MAIN AVENUE
 WEST FARGO, ND 58078

VENDOR NO.		SHIP VIA		F.O.B.		TERMS	
152						NET	
DELIVER BY		CONFIRM BY		CONFIRM TO		REQUISITIONED BY	
02/10/23				HALLAND, SHARI K		JASON BENSON	
FREIGHT	CONTRACT NO.	ACCOUNT NO.	PROJECT	REQ. NO.	REQ. DATE		
		211-4001-431.45-75	CH2401	CENTRAL	02/10/23		

LINE NO.	QUANTITY	UOM	ITEM NO. AND DESCRIPTION	UNIT COST	EXTENDED COST
1	830565.90	EA	SUBGRADE REPAIR & AGGREGATE SURFACING	1.0000	830565.90
SUB-TOTAL					830565.90



830565.90

AUTHORIZED BY _____ COUNTY OFFICIAL



MEMORANDUM

**Highway
Department**

Jason Benson, P.E.
County Engineer

Thomas B. Soucy, P.E.
Deputy County Engineer

Blaine Laaveg
Superintendent

TO: Cass County Commission

FROM: Jason Benson, Cass County Engineer *FOR: [Signature]*

DATE: February 9, 2023

SUBJECT: Consent Agenda Item for February 21, 2023 Commission Meeting: CH2303 – Grading, Cement Stabilization, Salvaged Base Course & Incidentals.

Attached are the contract documents with R.J. Zavoral and Sons, Inc. for Grading, Cement Stabilization, Salvaged Base Course & Incidentals on Cass Highway 16 from Davenport, ND to State Highway 18 in Cass County.

SUGGESTED MOTION: AUTHORIZE CHAIRPERSON TO SIGN CONTRACT DOCUMENTS WITH R.J. ZAVORAL AND SONS, INC. FOR THE GRADING, CEMENT STABILIZATION, SALVAGED BASE COURSE & INCIDENTALS ON THE CASS COUNTY HIGHWAY STATED ABOVE SUBJECT TO STATE'S ATTORNEYS APPROVAL.

1201 Main Avenue West
West Fargo, North Dakota
58078-1301

701-298-2370
Fax: 701-298-2395

J:\Admin-Eng\Commission Corrsp\2023 Commission Correspondence\CH2303 C16 GRADING\Agenda Memo CH2303 RJZ.docx.docx

CONTRACT APPROVAL REQUEST

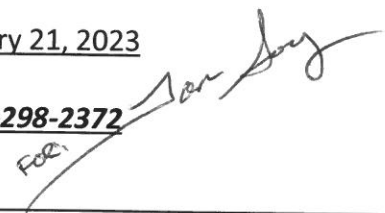
COMPANY REQUESTING CONTRACT:

R.J. Zavoral and Sons, Inc., PO Box 435, East Grand Forks, MN 56721

DATE OF REQUEST: February 9, 2023

DATE OF EXPECTED RETURN TO THE COMMISSION OFFICE: February 21, 2023

DEPARTMENT HEAD REQUESTING SIGNATURE: **Jason Benson, 701-298-2372**



STATE'S ATTORNEY SIGNATURE: _____

STATE'S ATTORNEY COMMENTS: _____

PORTFOLIO COMMISSIONER SIGNATURE: _____

Request for bids for Grading, Cement Stabilization, Salvaged Base Course & Incidentals on Cass Highway 16 from Davenport, ND to State Highway 18 in Cass County was received.

<u>Engineer's Estimate</u>	<u>CH2303</u>	<u>Total</u>
	\$4,334,943.50	\$4,334,943.50

The bids were received as follows:

<u>Contractor</u>	<u>CH2303</u>	<u>Total</u>
R.J. Zavoral and Sons, Inc.	\$4,647,552.15	\$4,647,552.15
Gladden Construction, Inc.	\$4,780,165.16	\$4,780,165.16
Park Construction Company	\$4,957,374.19	\$4,957,374.19
Industrial Builders, Inc.	\$5,485,696.30	\$5,485,696.30

SUGGESTED MOTION: AUTHORIZE CHAIRPERSON TO SIGN CONTRACT DOCUMENTS WITH R.J. ZAVORAL AND SONS, INC. FOR GRADING, CEMENT STABILIZATION, SALVAGED BASE COURSE & INCIDENTALS ON THE CASS COUNTY HIGHWAYS STATED ABOVE SUBJECT TO STATE'S ATTORNEYS APPROVAL.

**CASS COUNTY HIGHWAY DEPARTMENT
CONTRACT**

This agreement made and entered into by Cass County, North Dakota, party of the first part, and **R.J. Zavoral and Sons, Inc., PO Box 435, East Grand Forks, MN 56721** party of the second part (hereinafter called Contractor), WITNESSETH:

1. That for and in consideration of the payments to be made by the party of the first part, the contractor promises and agrees to furnish and deliver all labor, equipment, and materials, and to pay or cause to be paid as they become due, all claims for any work, labor, materials, equipment, including equipment rental or repair, and other supplies or insurance premiums, all of which are attributable to or utilized in and about the improvement and construction of **Project CH2303**. In accordance and in conformity with the provisions of this contract, the project proposal, the standard specification, supplemental specifications, special provisions, and all of which are hereby made a part of this agreement as fully and to the same effect as if the same had been set forth in the body of this agreement. References in the Standard Specifications for Road and Bridge Construction, 2022 edition, to the North Dakota Department of Transportation or Department must be construed as referring to the owner. Likewise, a reference by the same works to engineer or director must be construed as referring to the owner of the project.

2. The party of the first part agrees and promises to pay to the Contractor for said work, when completed and accepted in accordance with the provisions of this contract, the price set forth in the said proposal, amounting approximately to **Four Million, Six Hundred Forty Seven Thousand, Five Hundred Fifty Two Dollars and Fifteen Cents (\$4,647,552.15)** payments to be made as provided in said specifications upon presentation of the proper certificates of the County Engineer, or his representatives, and under the terms of this contract.

3. The said work shall be done in accordance with the terms of this contract, and the laws of the State of North Dakota, under direct supervision and to the entire satisfaction of the County Highway Department, subject at all times to the inspection and approval of the engineer.

4. The decision of the engineer upon questions connected with the execution of this agreement or any failure or delay in the prosecution of the work by the Contractor shall be final and conclusive.

5. In the employment of labor, other things being equal, preference shall be given to honorably discharged Veterans of the Armed Forces, and bona fide North Dakota residents, as determined by NDCC Section 43-07-20.

6. The Contractor shall begin construction work when so ordered by the Cass County Highway Department and shall maintain at all times thereon a maximum and efficient working force necessary to complete the work within the time established by this contract.

IN WITNESS THEREOF, the parties to this contract have set their hands and seal this ____ day of _____ 2023.

CASS COUNTY NORTH DAKOTA

Chairperson, Cass County Board of Commissioners

Contractor

WITNESS TO CONTRACTOR'S SIGNATURE

By _____

Title _____

CASS COUNTY HIGHWAY DEPARTMENT
CONTRACT BOND

Project No. CH2303

KNOW ALL PERSONS BY THESE PRESENTS, that we R.J. Zavoral and Sons, Inc., PO Box 435, East Grand Forks, MN

56721 as principal, and _____
NAME AND ADDRESS OF SURETY

as surety, are held and firmly bound unto Cass County, North Dakota, as owner in the penal sum of **Four Million, Six Hundred Forty Seven Thousand, Five Hundred Fifty Two Dollars and Fifteen Cents (\$4,647,552.15)** for the use of the owner and also for the use of any person having any lawful claim against the principal or any subcontractor on account of labor or supplies or materials as set forth in the conditions hereof; for the payment of which well and truly to be made we jointly and severally bind ourselves, and each of our heirs, executors, administrators, and successors, firmly by these presents.

WHEREAS, said principal has entered into a written contract with the owner for: _____
_____;

Type of Work: **Grading, Cement Stabilization, Salvaged Base Course & Incidentals**

CH2303, in Cass County, North Dakota, which contract and incorporated plans and specifications are by this reference made a part hereof, and are hereinafter referred to as the contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS THAT if the principal shall: (1) perform all the terms, covenants and conditions of said contract; (2) protect the owner against any loss or damage from any cause arising out of said contract; (3) pay or cause to be paid all bills and claims against the principal or any subcontractor on account of labor or services performed and all materials, equipment or supplies furnished, whether directly or indirectly arising out of the performance of said contract; (4) pay all insurance premiums and all items for which payment under the terms of the contract is to be made or guaranteed by the principal; (5) have made or will make, prior to the commencement of any work by the principal or any subcontractor under such contract, full and true report to the Worker's Compensation Bureau of the payroll expenditures for the employees to be engaged in such work, and that the principal has paid, or will pay, the premium thereon prior to the commencement of such work; (6) pay or cause to be paid all contributions due to the Unemployment Compensation Division; and (7) pay or cause to be paid any and all taxes that may be assessed or levied or to be a charge against such contractor or any subcontractor under such contract by the state or any of its subdivisions; then this obligation shall be null and void; otherwise it will remain in full force and effect.

And the said surety hereby stipulates and agrees that any change, extension, alteration, deduction or addition, with or without notice to the surety, in or to the terms of said contract or the plans or the specifications accompanying the same as provided for therein, shall not in anywise affect the obligation and liability of said surety on this bond.

SIGNED and SEALED this _____ day of _____ 2023.

(SEAL OF PRINCIPAL)

PRINCIPAL

By: _____

Title: _____

SURETY

COMPLETE MAILING ADDRESS

(SEAL OF SURETY)

By: _____

Title: _____

COMPLETE MAILING ADDRESS

IMPORTANT NOTICE

An individual doing business under a firm name must give both names, and the individual shall designate himself as sole owner.

If a partnership, so state, and at least one member of such partnership must sign.

If a corporation, the full corporate name must be used and the execution must be by an officer of the corporation.

Any other person executing for the principal or surety must attach a power of attorney.

NOTICE TO SURETY

Section 26.1-03-01, N.D.C.C. Provides:

"Limitation on risks acceptable by company. An insurance company transacting an insurance business in this state may not expose itself to loss on any one risk or hazard to an amount exceeding ten percent of its paid-up capital and surplus if a stock company, or ten percent of its surplus if a mutual company, unless the excess is reinsured."

If excess reinsurance agreements are required on this bond, an affidavit executed by an officer of the surety shall be attached, stating that such reinsurance agreements have been entered into and are in effect at the time the bond is executed, giving the name an address of all companies with whom such agreements have been entered, and that copies of such reinsurance agreements will be furnished to the North Dakota commissioner of insurance.

ACKNOWLEDGMENT OF PRINCIPAL

State of _____

ss.

County of _____

On this _____ day of _____ 2023, before me a notary public in and for the state of

_____, personally appeared _____, known to me to be (title) of the principal described in the within instrument and who executed the same and acknowledged to me that the same was executed for and on behalf of said principal.

Notary Public, State of _____

(Notary Public must print or type name here.)

(NOTARY SEAL)

My Commission expires _____

ACKNOWLEDGMENT OF SURETY

State of _____

SS.

County of _____

On this _____ day of _____ 2023, before me a notary public in and for the state of _____, personally appeared _____, known to me to be (title) of the surety described in the within instrument and who executed the same and acknowledged to me that the same was executed for and on behalf of said surety.

Notary Public, State of _____

(Notary Public must print or type name here.)

(NOTARY SEAL)

My commission expires _____

Approved as to form this _____ day of _____ 2023.

Cass County States Attorney

Approved by owner this _____ day of _____ 2023.

By _____
Chairperson, Cass County Board of Commissioners



PURCHASE ORDER

PAGE: 1

P.O. NO.: 154121

DATE: 02/10/23

N.D. Sales Tax Exempt No. E-3009

RJ ZAVORAL & SONS INC
PO BOX 435
EAST GRAND FORKS, MN 56721

SHIP TO: CASS COUNTY GOVERNMENT
COUNTY ENGINEER
1201 WEST MAIN AVENUE
WEST FARGO, ND 58078

VENDOR NO.		SHIP VIA		F.O.B.		TERMS	
11211						NET	
DELIVER BY		CONFIRM BY		CONFIRM TO		REQUISITIONED BY	
02/10/23				HALLAND, SHARI K		JASON BENSON	
FREIGHT		CONTRACT NO.		ACCOUNT NO.		PROJECT	
				211-4001-431.45-75		CH2303RJ	
						REQ. NO.	
						02/10/23	

LINE NO.	QUANTITY	UOM	ITEM NO. AND DESCRIPTION	UNIT COST	EXTENDED COST
1	4647552.15	EA	GRADING, CEMENT STABILIZATION, SALVED BASE COURSE	1.0000	4647552.15
SUB-TOTAL					4647552.15

CASS COUNTY GOVERNMENT



4647552.15

AUTHORIZED BY _____ COUNTY OFFICIAL



Highway Department

Jason Benson, P.E.
County Engineer

Thomas B. Soucy, P.E.
Deputy County Engineer

Blaine Laaveg
Superintendent

MEMORANDUM

TO: Cass County Commission

FROM: Jason Benson, Cass County Engineer *For [Signature]*

DATE: February 13, 2023

SUBJECT: Consent Agenda Item for February 21, 2023 Commission Meeting: CB2308 - Grading, Aggregate Surfacing, Culvert Installation, and Incidentals.

Attached are the contract documents with Gladen Construction, Inc. for CB2308 - Grading, Aggregate Surfacing, Culvert Installation, and Incidentals on 36th St SE from 154th Ave SE to 867' East in Cass County.

SUGGESTED MOTION: AUTHORIZE CHAIRPERSON TO SIGN CONTRACT DOCUMENTS WITH GLADEN CONSTRUCTION, INC. FOR THE GRADING, AGGREGATE SURFACING, CULVERT INSTALLATION, AND INCIDENTALS ON THE TOWNSHIP ROAD STATED ABOVE SUBJECT TO STATE'S ATTORNEYS APPROVAL.

1201 Main Avenue West
West Fargo, North Dakota
58078-1301

701-298-2370
Fax: 701-298-2395

J:\Admin-Eng\Commission Corrsp\2023 Commission Correspondence\CB2308 C30 PIPE INSTALLATION\Consent Agenda Memo Gladen CB2308.doc.docx

CONTRACT APPROVAL REQUEST

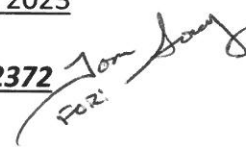
COMPANY REQUESTING CONTRACT:

Gladen Construction, Inc., 40759 US 71 N, Laporte, MN 56461

DATE OF REQUEST: February 13, 2023

DATE OF EXPECTED RETURN TO THE COMMISSION OFFICE: February 21, 2023

DEPARTMENT HEAD REQUESTING SIGNATURE: Jason Benson, 701-298-2372



STATE'S ATTORNEY SIGNATURE: _____

STATE'S ATTORNEY COMMENTS: _____

PORTFOLIO COMMISSIONER SIGNATURE: _____

Request for bids for CB2308 - Grading, Aggregate Surfacing, Culvert Installation, and Incidentals on 36th St SE from 154th Ave SE to 867' East in Cass County was received.

<u>Engineer's Estimate</u>	<u>CB2308</u>	<u>TOTAL</u>
	\$386,110.00	\$386,110.00

The Bids were received as follows:

	<u>CB2308</u>	<u>TOTAL</u>
Gladen Construction, Inc.	\$470,632.16	\$470,632.16

SUGGESTED MOTION: AUTHORIZE CHAIRPERSON TO SIGN CONTRACT DOCUMENTS WITH GLADEN CONSTRUCTION, INC. FOR THE GRADING, AGGREGATE SURFACING, CULVERT INSTALLATION, AND INCIDENTALS ON THE TOWNSHIP ROAD STATED ABOVE SUBJECT TO STATE'S ATTORNEYS APPROVAL.

**CASS COUNTY HIGHWAY DEPARTMENT
CONTRACT**

This agreement made and entered into by Cass County, North Dakota, party of the first part, **Gladen Construction, Inc., 40759 US 71 N, Laporte, MN 56461** party of the second part (hereinafter called Contractor),
WITNESSETH:

1. That for and in consideration of the payments to be made by the party of the first part, the contractor promises and agrees to furnish and deliver all labor, equipment, and materials, and to pay or cause to be paid as they become due, all claims for any work, labor, materials, equipment, including equipment rental or repair, and other supplies or insurance premiums, all of which are attributable to or utilized in and about the improvement and construction of **CB2308**. In accordance and in conformity with the provisions of this contract, the project proposal, the standard specification, supplemental specifications, special provisions, and all of which are hereby made a part of this agreement as fully and to the same effect as if the same had been set forth in the body of this agreement. References in the Standard Specifications for Road and Bridge Construction, 2022 edition, to the North Dakota Department of Transportation or Department must be construed as referring to the owner. Likewise, a reference by the same works to engineer or director must be construed as referring to the owner of the project.

2. The party of the first part agrees and promises to pay to the Contractor for said work, when completed and accepted in accordance with the provisions of this contract, the price set forth in the said proposal, amounting approximately to **Four Hundred Seventy Thousand, Six Hundred Thirty Two Dollars and Sixteen Cents (\$470,632.16)** payments to be made as provided in said specifications upon presentation of the proper certificates of the County Engineer, or his representatives, and under the terms of this contract.

3. The said work shall be done in accordance with the terms of this contract, and the laws of the State of North Dakota, under direct supervision and to the entire satisfaction of the County Highway Department, subject at all times to the inspection and approval of the engineer.

4. The decision of the engineer upon questions connected with the execution of this agreement or any failure or delay in the prosecution of the work by the Contractor shall be final and conclusive.

5. In the employment of labor, other things being equal, preference shall be given to honorably discharged Veterans of the Armed Forces, and bona fide North Dakota residents, as determined by NDCC Section 43-07-20.

6. The Contractor shall begin construction work when so ordered by the Cass County Highway Department and shall maintain at all times thereon a maximum and efficient working force necessary to complete the work within the time established by this contract.

IN WITNESS THEREOF, the parties to this contract have set their hands and seal this ____ day of _____ 2023.

CASS COUNTY NORTH DAKOTA

Chairperson, Cass County Board of Commissioners

Contractor

WITNESS TO CONTRACTOR'S SIGNATURE

By _____

Title _____

CASS COUNTY HIGHWAY DEPARTMENT
CONTRACT BOND

Project Nos. CB2308

KNOW ALL PERSONS BY THESE PRESENTS, that we Gladen Construction, Inc., 40759 US 71 N, Laporte, MN 56461

as principal, and _____

NAME AND ADDRESS OF SURETY

as surety, are held and firmly bound unto Cass County, North Dakota, as owner in the penal sum of **Four Hundred Seventy Thousand, Six Hundred Thirty Two Dollars and Sixteen Cents (\$470,632.16)** for the use of the owner and also for the use of any person having any lawful claim against the principal or any subcontractor on account of labor or supplies or materials as set forth in the conditions hereof; for the payment of which well and truly to be made we jointly and severally bind ourselves, and each of our heirs, executors, administrators, and successors, firmly by these presents.

WHEREAS, said principal has entered into a written contract with the owner for: _____

_____ ;
Type of Work: **Grading, Aggregate Surfacing, Culvert Installation, and Incidentals**

CB2308, in Cass County, North Dakota, which contract and incorporated plans and specifications are by this reference made a part hereof, and are hereinafter referred to as the contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS THAT if the principal shall: (1) perform all the terms, covenants and conditions of said contract; (2) protect the owner against any loss or damage from any cause arising out of said contract; (3) pay or cause to be paid all bills and claims against the principal or any subcontractor on account of labor or services performed and all materials, equipment or supplies furnished, whether directly or indirectly arising out of the performance of said contract; (4) pay all insurance premiums and all items for which payment under the terms of the contract is to be made or guaranteed by the principal; (5) have made or will make, prior to the commencement of any work by the principal or any subcontractor under such contract, full and true report to the Worker's Compensation Bureau of the payroll expenditures for the employees to be engaged in such work, and that the principal has paid, or will pay, the premium thereon prior to the commencement of such work; (6) pay or cause to be paid all contributions due to the Unemployment Compensation Division; and (7) pay or cause to be paid any and all taxes that may be assessed or levied or to be a charge against such contractor or any subcontractor under such contract by the state or any of its subdivisions; then this obligation shall be null and void; otherwise it will remain in full force and effect.

And the said surety hereby stipulates and agrees that any change, extension, alteration, deduction or addition, with or without notice to the surety, in or to the terms of said contract or the plans or the specifications accompanying the same as provided for therein, shall not in anywise affect the obligation and liability of said surety on this bond.

SIGNED and SEALED this _____ day of _____ 2023.

(SEAL OF PRINCIPAL)

PRINCIPAL

By: _____

Title: _____

SURETY

COMPLETE MAILING ADDRESS

(SEAL OF SURETY)

By: _____

Title: _____

COMPLETE MAILING ADDRESS

IMPORTANT NOTICE

An individual doing business under a firm name must give both names, and the individual shall designate himself as sole owner.

If a partnership, so state, and at least one member of such partnership must sign.

If a corporation, the full corporate name must be used and the execution must be by an officer of the corporation.

Any other person executing for the principal or surety must attach a power of attorney.

NOTICE TO SURETY

Section 26.1-03-01, N.D.C.C. Provides:

"Limitation on risks acceptable by company. An insurance company transacting an insurance business in this state may not expose itself to loss on any one risk or hazard to an amount exceeding ten percent of its paid-up capital and surplus if a stock company, or ten percent of its surplus if a mutual company, unless the excess is reinsured."

If excess reinsurance agreements are required on this bond, an affidavit executed by an officer of the surety shall be attached, stating that such reinsurance agreements have been entered into and are in effect at the time the bond is executed, giving the name and address of all companies with whom such agreements have been entered, and that copies of such reinsurance agreements will be furnished to the North Dakota commissioner of insurance.

ACKNOWLEDGMENT OF PRINCIPAL

State of _____

ss.

County of _____

On this _____ day of _____ 2023, before me a notary public in and for the state of

_____, personally appeared _____, known to me to be (title) of the principal described in the within instrument and who executed the same and acknowledged to me that the same was executed for and on behalf of said principal.

Notary Public, State of _____

(Notary Public must print or type name here.)

(NOTARY SEAL)

My Commission expires _____

ACKNOWLEDGMENT OF SURETY

State of _____

SS.

County of _____

On this _____ day of _____ 2023, before me a notary public in and for the state of _____, personally appeared _____, known to me to be (title) of the surety described in the within instrument and who executed the same and acknowledged to me that the same was executed for and on behalf of said surety.

Notary Public, State of _____

(Notary Public must print or type name here.)

(NOTARY SEAL)

My commission expires _____

Approved as to form this _____ day of _____ 2023.

Cass County States Attorney

Approved by owner this _____ day of _____ 2023.

By _____
Chairperson, Cass County Board of Commissioners



PURCHASE ORDER

PAGE: 1
 P.O. NO.: 154144
 DATE: 02/13/23

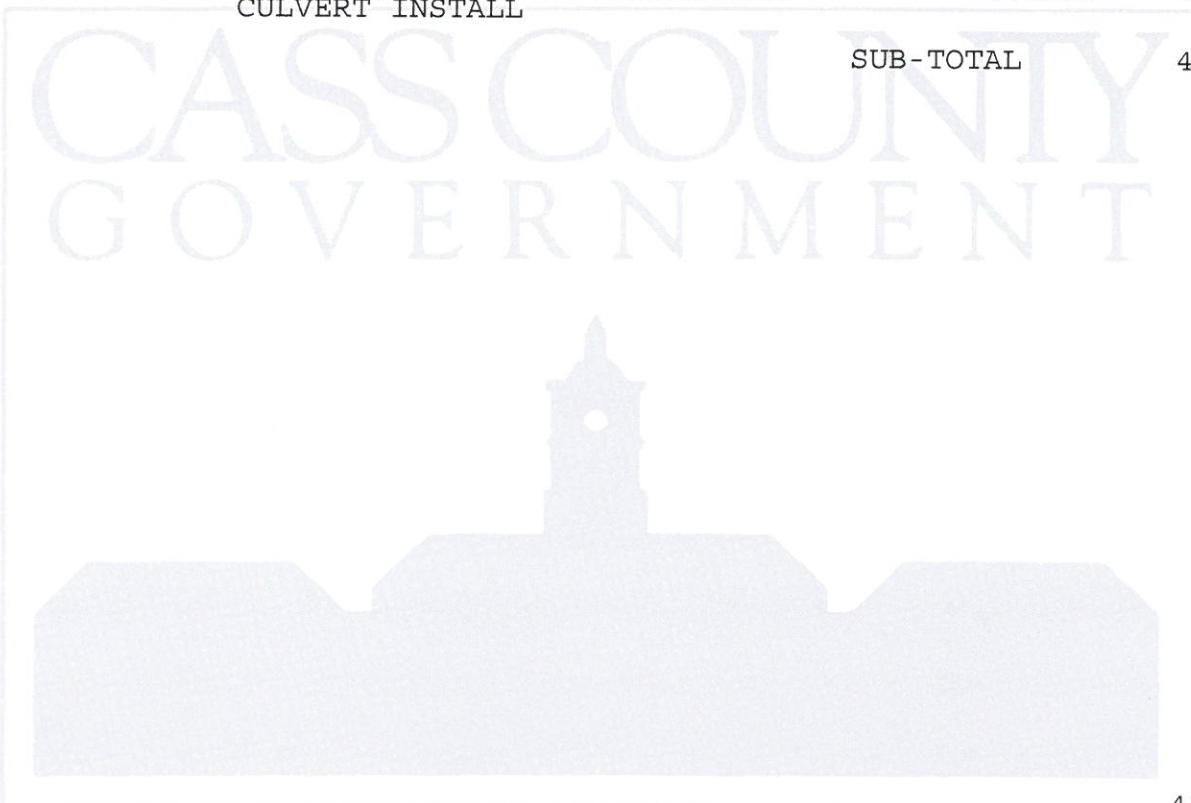
N.D. Sales Tax Exempt No. E-3009

GLADEN CONSTRUCTION, INC.
 40739 US 71
 LAPORTE, MN 56461

SHIP TO: CASS COUNTY GOVERNMENT
 COUNTY ENGINEER
 1201 WEST MAIN AVENUE
 WEST FARGO, ND 58078

VENDOR NO.		SHIP VIA		F.O.B.		TERMS	
6913						NET	
DELIVER BY		CONFIRM BY		CONFIRM TO		REQUISITIONED BY	
02/13/23				HALLAND, SHARI K		JASON BENSON	
FREIGHT	CONTRACT NO.	ACCOUNT NO.	PROJECT	REQ. NO.	REQ. DATE		
		211-4001-431.45-50	CB2308	GLADEN	02/13/23		

LINE NO.	QUANTITY	UOM	ITEM NO. AND DESCRIPTION	UNIT COST	EXTENDED COST
1	470632.16	EA	GRADING, AGGREGATE SURFACING, CULVERT INSTALL	1.0000	470632.16
SUB-TOTAL					470632.16



470632.16

AUTHORIZED BY _____ COUNTY OFFICIAL



Finance Office

Telephone: 701-241-5600

Fax: 701-241-5728

SMB-FIN@casscountynd.gov

MEMO

TO: Cass County Commission
FROM: Finance Office
DATE: February 15, 2023
SUBJECT: Contract for Digital Reservations for Brewer Lake Campground

As part of the 2023 Brewer Lake Campground budget, funds had been allocated to investigate and deploy a digital booking system for the campground. This would allow for clients to book campground locations online, paying via credit card in real time, while also allowing for on-site transactions to be booked as well. The goal of this has been to better serve our citizens by allowing a more flexible and user-friendly method of booking spots at our Park, as well as having clearer documentation on the usage levels.

After looking at various platforms, we have solidified on using Leisure Interactive's "Hercules" system. This system is solely designed for park rentals and will integrate directly into our existing County website. Users will be able to make reservations, pick their locations, pay for their site, and more all through a web interface. If a user decides to pop into the park in person and book there, the camp host will be able to login to this website and update it with this booking, keeping available locations updated in near real-time for the website.

Leisure Interactive structures their fees according to the number of bookings we have yearly. The fee structure is as follows:

Initial Setup Fee – One Time - \$799

Annual Hosting Fee - \$95/year

Annual Support - \$320/year

4% of all client web bookings. These are the bookings that a client would do themselves, through the website, on their own. This would hopefully be the majority of our bookings.

.5% of all walkup bookings. This would be bookings if someone just shows up at the camp with no reservations, and pays on site. The lower rate is due to the fact our staff would be needed to facilitate this booking.

7% of Marketplace Bookings. Leisure Interactive has the ability to publish our campground to various online "Marketplaces", so users can see multiple campgrounds to book from. This higher transaction fee is due to the publishing expense.

With this fee structure, we would pay a nominal fee yearly for hosting and support, but then only pay for times we are actually getting bookings on the system.

SUGGESTED MOTION: Authorize the Finance Director to enter into an annual agreement with Leisure Interactive for digital camp booking services for Brewer Lake Campground, at the proposed fee structure.



CONTRACT APPROVAL

REQUIRED BY DEPARTMENT:

DEPARTMENT: Finance Office DATE OF REQUEST: 02-15-2023

COMPANY REQUESTING CONTRACT: Leisure Interactive, LLC

BRIEF PROJECT DESCRIPTION: Brewer Lake Campground online reservation system

 x NEW CONTRACT OR CONTRACT RENEWAL

REQUIRED BY STATE'S ATTORNEY OFFICE:

STATE'S ATTORNEY SIGNATURE: _____

STATE'S ATTORNEY COMMENTS:

HERCULES™ RECREATION & HERCULES MARINE™ SERVICES AGREEMENT

Check the box to the left if being processed as a change of ownership

This software and services agreement (hereafter "Agreement") is made and entered into as of the date last executed below ("Agreement Date") by and between Leisure Interactive, LLC, a Delaware Limited Liability Company (hereafter "LILLC"), and the Client Company herein identified on the signature page of this Agreement below (hereafter "Client"), each a "Party" of this Agreement and collectively the "Parties". This Agreement shall supersede any previously executed Agreement.

Any term used herein which is not otherwise defined shall be defined as set forth in the Hercules™ Terms and Conditions and Payment Card Terms and Conditions (hereafter "Terms and Conditions"). These Terms and Conditions are incorporated herein by reference and can be viewed at:

<http://downloads.leisureinteractive.com/terms.htm>

<http://downloads.leisureinteractive.com/PCterms.htm>

To the extent any terms in this Agreement are inconsistent with the aforesaid Terms and Conditions, the terms of this Agreement shall govern with respect to the Services unless such Terms and Conditions are revised and accepted by Client. If at any time the Terms and Conditions are so revised from those now incorporated (except for any such change required by law), Client shall be given advance notice of such change including the date on which such change shall take effect, and shall be given the opportunity to cancel this Agreement without penalty thirty (30) days prior to such change taking effect. Continued use of the Services beyond said thirty (30) days shall be deemed an acceptance of the changes by Client.

I. Agreed Services and Payment Terms

Client agrees to license the Services, which include Online Reservations, Front Office Property Management, Back Office Reporting and Revenue Management, Directory Services on one or more web portals, an Authorized Gateway connection to Client's compatible merchant account and other services as may be identified and accepted in Part II of this Agreement. Services may be updated and modified to reflect such updates at the sole discretion of LILLC.

All initial fees for configuration, set-up and other services as presented in Part II of this Agreement are immediately payable upon execution of this Agreement. Understanding that time is of the essence, Client agrees that within fourteen (14) days of the Agreement Date unless a later date is mutually agreed that it will provide LILLC with all required data, which will be identified by your LILLC support consultant, and may include business rules, space information, rates, merchant gateway connection information and other necessary data (collectively "Setup Data") required for the setup and configuration of the Services. LILLC agrees that within forty-five (45) days of the Agreement Date that it will deliver for final approval Client's required configuration so that the Services will be ready to go live and delivered in a production environment for Client. If the change of ownership box above is checked, and no space reconfiguration is required, LILLC will make all appropriate updates within seven (7) business days of receipt of Setup Data. If Client has not provided required Setup Data or has not reviewed and approved the configuration of the Services within forty-five (45) days of the Agreement Date LILLC shall have the right to cancel this Agreement and retain all fees paid without further obligation to Client.

Front Office Subscription Fees, Online Reservation Transaction Fees and Payment Terms

Client shall pay the quoted subscription fee on an annualized basis unless otherwise mutually agreed by the Parties. LILLC shall invoice on a monthly basis all applicable transaction fees (as set forth in Part II of this Agreement) and any amounts owed or previously paid to third parties on Client's behalf if applicable. All such billings shall be invoiced once each month, and shall be due and payable upon receipt. Client agrees LILLC shall automatically charge Client's credit card at the time of invoicing. If Client requires LILLC to bill Client for monthly fees and LILLC agrees to so bill, Client agrees to pay an invoice processing fee of \$15.00 per month and if so directed by LILLC to pay by credit card or electronic check as may be described on the Client invoice. Client further agrees that if it does not follow such billing and payment direction that additional fees may apply. Client acknowledges that if such billing on account becomes past due by more than 15 days, LILLC reserves the right to limit or restrict Client's access to the Services and LILLC may proceed with the termination of this agreement as described in Section 6.1 of the Terms and Conditions. If payment on account is past due a \$15.00 monthly late fee will be applied to Client's account.

Contract term: The term of this Agreement shall be for 24 months as described in section 6.1 of the Terms and Conditions. Initial set-up and configuration fees are not refundable. Client agrees to pay any outstanding fees owed upon cancellation of this agreement. Client acknowledges this Agreement may not be transferred or assigned to another party without the authorization of LILLC, which if so authorized may require a change of ownership or other additional agreement.

Annual Services Fees: On the anniversary date of this agreement and then recurring on each successive anniversary date through the end of the term and all extensions granted thereto, LILLC shall invoice Client for its annual license fee, an Annual Account Maintenance fee of \$75, plus annual fees for any additional services selected by Client in Part II of this Agreement. Client agrees LILLC shall automatically charge Client's credit card at the time of invoicing, or bill Client if so arranged with its monthly fees as described above. At its option and for its convenience Client may with the approval of LILLC make equal *monthly installments* against any such annual license fees or annual recurring charges. All such installments shall be processed at the same time as monthly transaction fees if any, and shall include an eight percent (8%) surcharge.

Consumer Payment Terms and Transaction Settlement Period

Source of Reservation	Payment Amount (Consumer)
Client Web Page or Front Office	100% advance payment (best practice), or Client defined prepayment with balance due upon check-in
Marketplace Web Page	100% advance payment

Client may designate specific consumer payment terms regarding percentages required to be paid in advance with respect to Front Office and Client Web page transactions. Marketplace transactions shall always be paid 100% in advance except that LILLC reserves the right to process a credit card authorization in lieu of collecting prepayment when the reservation is booked close to the check-in date.

II. Description of Services and Pricing

Initial Set-up and Configuration OR Change of Ownership Configuration

The process of configuring Client's property in the reservation property management system, which in the case of an initial configuration may include but not necessarily be limited to space definitions, rate groups, business rules, user access settings and connection to Client's compatible Authorized Gateway service account for credit card processing. Initial Set-up and Configuration OR Change of Ownership is included in the price of the Services.

Set-up Reconfiguration

Significant changes made to existing configuration logic that impact business rules, space definitions, point of sale items if applicable, security groups or other significant changes to the set-up and or data records. Set-up Reconfiguration is NOT included in the price of the Services, but is available as fee-based professional services. A Change of Ownership does NOT include such significant changes unless said professional services are quoted.

Support Services

LILLC will provide at no additional charge technical software support services for thirty (30) days after Initial Set-up and Configuration. After said thirty days, LILLC will continue to provide support to correct user created issues or to modify the Client configuration on request as fee-based professional services. A schedule of professional services fees may be obtained upon request. At its option, Client may apply one or more Support Incidents included by LILLC in Client's subscription. A Support Incident is defined as one (1) hour or fraction thereof of professional services. LILLC shall always provide support at no charge for any issue determined to be a software bug or other system-related issue. Lack of a specific feature in the Services shall not be deemed a system-related issue, and may or may not be addressed by LILLC at its option. Client will be encouraged to identify new features of value that LILLC may evaluate and incorporate into its development backlog at its sole discretion and based upon feedback of its broader user base.

Training Services

LILLC will provide pre-scheduled or pre-recorded online training events specific to the Level of Services purchased at no additional charge following an initial set-up and configuration. Customized or other training is available for an additional fee.

Front Office Reservation Processing

Front Office Services refers to reservation property management software, used by front office personnel to process phone, walk-in and email reservation requests. The Front Office Service also includes an integrated credit card collection system and real-time reports that are printable and downloadable to Excel. The Front Office Service can be used at any time for front office transactions and reservation management.

Point of Sale Services ("POS")

LILLC offers but does not automatically license integrated POS, which refers to software services used to manage the processing and selling of retail items. Items sold at the check-out of the POS System can be scanned or entered on the electronic register screen. POS services include integrated credit card processing and real time reports that are printable and downloadable. The POS system is designed for Client self-installation and maintenance of inventory, except that LILLC shall train Client as appropriate on the installation and use of a licensed POS system. The POS system is designed to work with standard PC hardware, and Client shall be required to purchase, install and maintain at its own cost all hardware it chooses to use with the system. LILLC will supply Client with a list of tested compatible hardware.

Guest Survey Services

LILLC provides or may provide a software application enabling Client access to the Standard service offering of GuestReviews™ or other consumer surveys and similar services submitted through the Client's website or LILLC's Affiliate network. Client shall be granted a license where applicable to use appropriate trademarked or other customer scores on Client's stand-alone website. Where the product integration is to a third-party system, the relationship with the third party is directly between the Client and the third party, including all service or additional services and customer support.

Online Reservations and Related Definitions

The LILLC real time reservation transaction engine ("Hercules") enables Client to participate in the Leisure Interactive Partner Network ("Marketplace") where consumer traffic moving through third-party affiliate websites ("Affiliates") can be converted into real time reservation transactions for Client.

LILLC on behalf of Client shall pay separate transaction fees to Affiliates for reservations made through the Marketplace. Such additional transaction fees are considered pay-for-performance (P4P) marketing fees. Client shall pay nothing for basic exposure on Marketplace Affiliates unless and until a reservation transaction occurs, and then shall pay only for the reservation transaction based on the fees defined in the Agreement.

The Marketplace enables Client inventory to be exposed to a broader audience of consumers without Client acceding control of said inventory or committing separately managed inventory to another service provider. Should Client choose to provide separately managed inventory to a non-affiliated service provider, Client agrees that it shall not dedicate more than ten percent (10%) of its total inventory to be managed outside of Hercules.

Client shall be responsible for maintaining descriptive content about its property and inventory in Marketplace search results as defined by the Set-up Data. LILLC at its option may either provide Client with a self-service tool to update such descriptive content or upload said content on behalf of Client to Hercules for access by Marketplace Affiliates. The number of Affiliates may increase or decrease from time to time, at the sole discretion of LILLC.

Unless otherwise mutually agreed by the Parties, Client shall maintain its own website and shall embed LILLC-provided software code into such website to enable online reservation functionality either via iframe or application programming interface (API) if available. Client hereby agrees that no less than ninety percent (90%) of its total inventory managed by Hercules shall be available for Hercules online reservations except when said inventory is either occupied, blocked for maintenance or other reasonable purpose, or outside the advance booking window established by the Set-up Data.

Services Rate Schedule

Client rates include annual subscription license, service fees and per-transaction fees. The following is a summary of agreed pricing:

Initial Set-Up and Configuration	\$799 Standard Configuration
Annual Subscription or Other License Based on the total number of configured spaces and other inventory	0 NA - Transaction License (fees billed monthly) total configured spaces and other inventory Included support incidents: 0 a value of \$0

Annual Account Maintenance Fee	\$95 (initial year waived)
Transaction Fees (billed monthly)	
Front Office Transactions	0.5%
Client Web Bookings	4.0%
Marketplace Affiliate Bookings	7.0%

Summary of Client Inventory

Total Number of Spaces or Other Inventory	0000
Spaces Client Intends to Not Include in Set-up	0000 Explanation: NA
Spaces Available for Online Reservations	0

Training Services Included

Initial Review of Configuration	One (1) hour included
Basic Reservation and Software Management	One (1) hour included Unlimited access to videos and Knowledge Base

Other Optional Services

LILLC offers other optional services including Consumer Data Import, Onsite or Exclusive Training Sessions, Hercules Point of Sale (POS) and custom development. Unless listed below, no optional services are currently included in this Agreement. Professional services may be added at any time without modification to the Agreement.

Annual 5 Incident/Hours Support Package	\$320	(Required with Transaction License)
NA	\$0	NA
NA	\$0	NA

Amount Due at Signing

Initial Set-up and Configuration	\$799.00
Annual Subscription License	\$0.00 (NA - Transaction License)
Sub-Total of Optional Services	\$320.00
TOTAL	\$1,119.00

By the signatures of their duly authorized representatives below, LILLC and Client intending to be legally bound, agree to all of the provisions of this Agreement (including the Terms and Conditions).

By: **Leisure Interactive, LLC**

By Client:

Address: 1855 W. Katella Ave Ste 200
Orange, CA 92867

Property Name:

Address 1:

Address 2:

City:

State/Prov:

Zip/Postal:

Signature:

Signature:

Print Name:

Name:

Print Title:

Title:

Telephone:

Telephone:

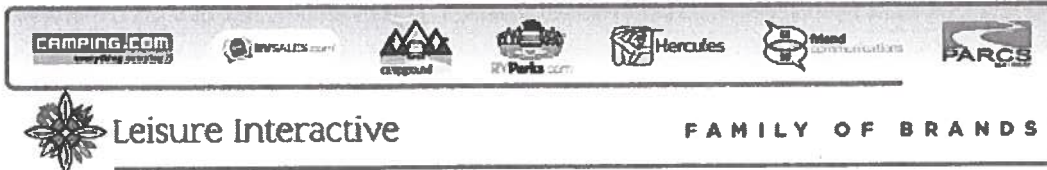
Email:

Email:

Date Signed:

Date Signed:

RE: <https://leisureinteractive.zendesk.com/agent/tickets/53245>



Charge Authorization Form

Thank you for assisting **Leisure Interactive** by following this procedure to charge your payment. It helps us maintain favorable rates for a variety of services. Only credit cards billed to addresses in the United States or Canada may be accepted.

1. Be sure to include the three- or four-digit card verification number, which will be deleted from this form after entered into the system. On most credit cards, the verification number is a three-digit number printed on the back of the card. It appears after and to the right of the card number. On American Express cards, it is a four-digit number printed on the front of the card, just above and to the right of the card number
2. Have the credit card holder sign the charge authorization.
3. To maintain PCI compliance, this document will be passed to Accounting, and NOT archived in Adobe Sign; it will be deleted after it is entered into QuickBooks and the charge is processed. Thank you.

Credit Card Charge Authorization (please print). [Calculated in USD. Tax not included, and will be added if applicable]

I authorize Leisure Interactive to process my credit card for the following fees:

Monthly: – I understand that my credit card will be billed monthly as described in the services Agreement.
Amount: \$ (will vary based on transaction fees per my agreement)

One-time payment
Amount: \$ 799 + \$320 = \$1119 (one-time setup fee + initial annual support)

Annual Payment: I understand that my credit card will be billed annually as described in the services Agreement.
Amount: \$ 95 + \$320 = \$415 (starts on anniversary date; annual account maintenance fee + annual support)

Select...



_____ ("Property")
 (COMPANY LEGAL NAME)

4444444444444444
 (CREDIT CARD NUMBER) (REPEAT LAST 4 DIGITS)

_____ *(CARD VERIFICATION NUMBER)
 (EXPIRATION DATE)

 (NAME AS SHOWN ON CARD)

 (SIGNATURE OF CARDHOLDER)

 (BILLING ADDRESS NUMBER AND STREET)

 (CONTACT PHONE WITH AREA CODE)

 (BILLING ADDRESS LINE 2 -- OPTIONAL)

 (FAX NUMBER WITH AREA CODE)

 (CITY, STATE OR PROVINCE AND ZIP OR POSTAL CODE)

 (CONTACT EMAIL ADDRESS)

RE: <https://leisureinteractive.zendesk.com/agent/tickets/53245>

FOR OFFICE USE ONLY
Received:
Auth Code:
AVS Response:
Audited By: