



[Crystal \(Minn.\).](#)
[City Council Minutes and Agenda Packets.](#)

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Barlene

COUNCIL AGENDA

November 15, 1988

Pursuant to due call and notice thereof, the Regular meeting of the Crystal City Council was held on November 15, 1988, at 7:00 P.M., at 4141 Douglas Drive, Crystal, Minnesota.
The Secretary of the Council called the roll and the following were present:

Councilmembers

P Herbes
A Moravec
P Rygg
P Langsdorf (*arrived 7:18*)
P Aaker
P Leppa
P Smothers

Staff

P Dulgar
P Olson
P Kennedy
P Monk
P Peterson
P George

The Mayor led the Council and the audience in the Pledge of Allegiance to the Flag.

1. The City Council considered the minutes of the Regular City Council meeting of November 1, 1988.

Moved by Councilmember Herbes and seconded by Councilmember Leppa to
(approve) (approve, making the following exceptions:

_____ to) the
minutes of the Regular City Council meeting of November 1, 1988.

Motion Carried.

2. The City Council considered the minutes of the Special City Council meeting of November 9, 1988.

Moved by Councilmember Rygg and seconded by Councilmember Sm to
(approve) (approve, making the following exceptions:

_____ to) the
minutes of the Special City Council meeting of November 9, 1988.

Motion Carried.

CONSENT AGENDA

1. Set 7:00 P.M., or as soon thereafter as the matter may be heard, December 13, 1988 as the date and time for a public hearing at which time the City Council will consider preliminary plat approval of Chalet Acres located at 3359 Vera Cruz Avenue North as submitted by Chalet Ski & Patio.

2. Set 7:00 P.M., or as soon thereafter as the matter may be heard, December 13, 1988 as the date and time for a public hearing at which time the City Council will consider preliminary plat approval of proposed plat Bedman Addition located at 7025 - 46th Avenue North as submitted by Lorraine Bedman. *Removed - Planning Comm. Tabled item at ^{their} 11-14-88 mtg.*

- 2-3. Set 7:00 P.M., or as soon thereafter as the matter may be heard, November 29, 1988 as the date and time for a public hearing at which time the City Council will sit as a Board of Adjustments and Appeals to consider a variance request for a 20' x 6' addition and a 14' x 17' deck on the existing house which will encroach 20' in the required 40' rear yard setback at 3316 Louisiana Avenue North as requested by Michael Jorgenson.

- 3 4. Set 7:00 P.M., or as soon thereafter as the matter may be heard, December 13, 1988 as the date and time for a public hearing at which time the City Council will consider the application for an off-sale liquor license at 5600 Bass Lake Road from Jerome F. Halek.

Moved by Councilmember X and seconded by Councilmember to remove item , , X, and from the Consent Agenda.

Motion Carried.

Moved by Councilmember Sm and seconded by Councilmember Verbes to approve the Consent Agenda.

Motion Carried.

PUBLIC HEARINGS

1. It being 7:00 p.m., or as soon thereafter as the matter may be heard, Mayor Aaker declared this was the date and time as advertised for a public hearing at which time the City Council will consider an amendment to the City of Crystal Charter.

Lorraine Bedman, 7025-46th Ave. No. appeared and was heard

Mayor closed the public hearing.

Moved by Councilmember *Leppa* and seconded by Councilmember *Rygg* to adopt the following ordinance:

ORDINANCE NO. 88-

AN ORDINANCE AMENDING THE
CITY OF CRYSTAL CHARTER

The City attorney informed the Council that the adoption of the Ordinance and further, that this be the Second and Final Reading.

required a unanimous vote of the Council. **Motion Carried.**

REGULAR AGENDA

1. The City Council considered an application for an off-sale liquor license at 5924 West Broadway (presently Crystal Liquors) from Richard G. Marsolais. *Richard G. Marsolais, 8426 Mississippi Blvd., Coon Rapids, appeared and was heard.*

Councilmember Lingsdorf arrived during discussion of this item (7:28 p.m.).

Moved by Councilmember *Sm.* and seconded by Councilmember *Heide* to (approve) (deny) (continue until _____ the discussion of) an off-sale liquor license at 5924 West Broadway for Richard G. Marsolais, *effective at 12:01 A.M., Wednesday, Nov. 16, 1988.*

Motion Carried.

** Sm/Leppa to delay action on this item to the end of the meeting for full attendance of the Council and if all members are not in attendance by that time continue to the Nov. 29, 1988 meeting. Motion Carried*

2. The City Council considered a request from Debora Damborg, 5512 Louisiana Ave. North, to allow liquor at the Becker Park Shelter for a private Christmas party.

Moved by Councilmember Sm and seconded by Councilmember Lamp to (approve) (deny as recommended by the Health Department) (continue until _____ the discussion of) a request from Debora Damborg, 5512 Louisiana Ave. North, to allow liquor at the Becker Park Shelter for a private Christmas party, and direct staff to place the First Reading of an Ordinance Relating to Liquor & Beer in Public Parks In The City on the Nov. 29, 1988 Council Agenda. Motion Carried.

3. The City Council considered a revised resolution providing sewer discount rate to include renters.

Moved by Councilmember Leppa and seconded by Councilmember Rygg to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 88-73

RESOLUTION RELATING TO SEWER USE RATES FOR
CERTAIN DISABLED AND SENIOR PERSONS

By roll call and voting aye: ALL, Rest, _____, _____, _____,
_____, _____; voting no: _____, _____, _____, _____; absent, not
voting: Marquee, _____.

Motion carried, resolution declared adopted.

4. The City Council considered a resolution removing Medicine Lake Road from Crystal's State Aid System.

Moved by Councilmember Rygg and seconded by Councilmember Sm to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 88-74

RESOLUTION DELETING MSA AS SECTION 317-010, MEDICINE LAKE ROAD,
FROM CRYSTAL'S MUNICIPAL STATE AID SYSTEM

By roll call and voting aye: ALL, Rest, _____, _____, _____,
_____, _____; voting no: _____, _____, _____, _____; absent, not
voting: Marquee, _____.

Motion carried, resolution declared adopted.

5. The City Council considered accepting site improvements in releasing surety for property at 5337 Lakeland Avenue North for Standard Water Control.

Moved by Councilmember Lin and seconded by Councilmember Herber to accept work required as a condition of site improvement for Standard Water Control, 5337 Lakeland Avenue North, subject to guaranteed provisions of the agreement, effective this date, and that surety in the amount of \$5,350 be released, subject to said guarantee, as recommended by the City Engineer.

Motion Carried.

6. The City Council considered a letter from the City Attorney dated 10-31-88 regarding Attorney General's opinion on charitable gambling contributions.

7. The City Council considered adopting a pawn shop license ordinance.

Herbes / Leppa to direct the City Attorney to draft a strict Ordinance regulating pawn shops in the City of Crystal to present to ^{the} Council for ~~the~~ First Reading on Nov. 29, 1988.
Motion Carried.

8. The City Council considered a resolution regarding Affirmative Action in Employment.

Moved by Councilmember Lango and seconded by Councilmember Rygg to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 88-75

RESOLUTION ADOPTING AN AFFIRMATIVE ACTION PROGRAM

By roll call and voting aye: ALL, Rest, _____, _____, _____,
_____, _____; voting no: _____, _____, _____, _____; absent, not
voting: Moravee, _____.

Motion carried, resolution declared adopted.

9. The City Council considered application of membership to the Celebrate Minnesota 1990 Grant Program.

Moved by Councilmember Rygg and seconded by Councilmember Leppa to (approve) (deny) (continue until _____ the discussion of) application of membership to the Celebrate Minnesota 1990 Grant Program, and further to have the Mayor sign such agreement.

Motion Carried.

10. The City Council considered a resolution naming the position of Chief of Police as Director and the position of the City Manager as Alternate in the Minnesota Police Recruitment System.

Moved by Councilmember Sn and seconded by Councilmember Herber to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 88-76

RESOLUTION NAMING THE POSITION OF CHIEF OF POLICE
AS DIRECTOR AND THE POSITION OF THE CITY MANAGER AS
ALTERNATE IN THE MINNESOTA POLICE RECRUITMENT SYSTEM

By roll call and voting aye: ALL, Rest, _____, _____, _____, _____, _____, _____; voting no: _____, _____, _____, _____; absent, not voting: Morawiec, _____.

Motion carried, resolution declared adopted.

11. The City Council discussed an increase in insurance contribution for unorganized City employees.

Moved by Councilmember Rygg and seconded by Councilmember Leppa to (approve) (deny) (continue until _____ the discussion of) an increase in insurance contribution for unorganized City employees to \$185 per month to be retroactive to January 1, 1988, and ~~increase~~ *to \$195 effective Jan. 1, 1989.*
Motion Carried.

12. The City Council considered the approval of a contract with Anderson-Dale Architects for plans for the new Community Center.

Leppa/Rygg to continue to the Nov. 29, 1988 meeting and direct City attorney to review the contract.
Motion Carried.

Moved by Councilmember _____ and seconded by Councilmember _____ to (approve) (deny) (continue until _____ the discussion of) a contract with Anderson-Dale Architects for plans for the new Community Center.

Motion Carried.

OPEN FORUM

INFORMAL DISCUSSION AND ANNOUNCEMENTS

Sm/Herkes to remove the Charitable Gambling License application for Church of All Saints at the Paddock Bar from the table.
~~Herkes~~ Motion Carried

Leppa/Sm to approve the Charitable Gambling License application and lease agreement in the modified form.
Motion Carried.

- City Manager discussed Twin City Air Travel brochure with Council.
- City Manager made copies of Corporate Report available to Councilmembers and informed them of article regarding the Northern Suburbs.
- Discussion was held regarding notification to proprietors surrounding liquor establishments, both new and when there is a change in ownership.
- Councilmember Herkes reminded Councilmembers of the airport meeting at Cooper High School Nov. 16th.

Moved by Councilmember Herkes and seconded by Councilmember Leppa to approve the list of license applications.

Motion Carried.

Moved by Councilmember Sm and seconded by Councilmember Herkes to adjourn the meeting.

Motion Carried.

Meeting adjourned at 8:30 P.M.

APPLICATIONS FOR LICENSE

November 15, 1988

FOOD ESTABLISHMENT - Special Food Handling (\$33.00)

Crystal Liquors, 5924 West Broadway
Halek Liquors, 5600 Bass Lake Road

VENDING - Perishable (Exempt)

Crystal Police Association, 4141 Douglas Drive

VENDING - Nonperishable (Exempt)

Firemen's Relief Assoc. 4101 Douglas Drive

FOOD ESTABLISHMENT - Exempt

Crystal Municipal Swimming Pool, 4848 Douglas Drive
Becker Park Concession, 6225 56th Ave. North
Valley Place - Lion's Ski Area, 3200 Louisiana Ave. North

CHRISTMAS TREE LICENSE - \$30.25

Charles B. Anderson, 112 Gibraltar Rd., Fridley, MN 55421 (Nov. 25/Dec. 24)

PLUMBING LICENSE - \$30.25

Joseph E. Peters Plumbing, 4520 Abbott Ave. S., Mpls., MN 55410

A-1 Emergency Plumbing, 6181 Georgia Blvd, Oakdale, MN 55109

1989 LICENSE RENEWALS

PLUMBING LICENSE - \$30.25

Thompson Plumbing, 12201 Minnetonka Blvd., Minnetonka, MN 55343

Metropolitan Mechanical Contractors, 7340 Washington Ave. S.,
Eden Prairie, MN 55344

GAS FITTER'S LICENSE - \$30.25

Golden Valley Heating, 5182 West Broadway, Crystal, MN 55429

Kleve Heating & Air, 13075 Pioneer Trail, Eden Prairie, MN 55344

Superior Contractors, 6121 42nd Ave. N., Crystal, MN 55422

Metropolitan Mechanical Contractors, 7340 Washington Ave. S.,
Eden Prairie, MN 55435

Unique Air, 4748 Nicollet Ave. S., Mpls., MN 55409

APPLICATIONS FOR LICENSE
November 15, 1988

GASOLINE STATION: \$36.25 Station + \$7.25 ea. hose conn.(pro-rated)

Steve's Auto Repair, 5626 West Broadway

CIGARETTES: \$12.00 ea. machine and/or over counter sales (pro-rated)

J.F. Halek Liquor, 5600 Bass Lake Road

Sent with Preliminary Agenda on 11-10-88:

Minutes of November 1 and November 9, 1988 Council meetings.

Application for Off-Sale liquor license from Richard G. Marsolais, Crystal Liquors.

Letter from Debora Damborg, 5512 Louisiana Ave. No requesting use of Becker Park Shelter for a Christmas party on December 3, 1988.

Memo from City Engineer dated 11-7-88 re: Sanitary Sewer Discount Program.

Memo from City Engr. dated 11-8-88 re: Medicine Lake Road State Aid Designation.

Memo from City Engr. dated 11-7-88 re: Site Improvements at 5337 Lakeland Ave. No. - Standard Water Control Systems.

Letter from City Attorney dated 10-31-88 re: Charitable Gambling.

Portions of Minneapolis, St. Paul, Breckenridge, Hermantown, Thief River Falls, and Willmar Codes re: pawn shops.

Memo from Asst. City Mgr. dated 11-10-88 re: Affirmative Action Policy.

Memo from Comm. Development Coordinator dated 11-8-88 re: Application for Celebrate Minnesota 1990 Grant.

Memo from Chief of Police dated 10-27-88 re: MPRS Directors & Alternates.

Letter to Mayor Aaker dated 11-1-88 from Mayor Krautkremer of Brooklyn Park re: Brooklyn Park's 62nd and Douglas Redevelopment Plan.

Letter to City Mgr. dated 10-31-88 from Ann H. Rest re: Resolution No. 88-60 regarding state sales tax imposed on the required removal of diseased trees.

Action Needed Memo from the October 4, 1988 City Council Meeting.

Crystal Park & Rec. Advisory Comm. minutes of 10-5-88.

Crystal Park & Rec Dept. Monthly Report for October, 1988.

Distributed with the Agenda on 11-15-88:

Excerpts from Council minutes of 9-21-76 and 2-3-81 re: property owners being notified of pending liquor license applications.

Letter from City Attorney dated 11-10-88 re: Liquor and Beer in Parks.

Memo from Administrative Asst. dated 11-14-88 re: Liquor Consumption in Park Bldgs. of nearby Municipalities/Facility Rental Fees.

Copy of revised lease and sketch for a Charitable Gambling license for All Saints Church at the Paddock Bar.

Standard Form of Agreement Between Owner and Architect for the Community Center.

City of Crystal 1988 Expenditure Report for October 1988.

Darlene

November 10, 1988

TO: City of Crystal Councilmembers
FROM: Jerry Dulgar, City Manager
RE: Preliminary Agenda for the November 15, 1988 Council Meeting

Consent Agenda Items

2. Set public hearing for December 13, 1988 to consider preliminary plat approval of proposed plat Bedman Addition located at 7025 - 46th Avenue North as submitted by Lorraine Bedman. I reviewed the Planning Commission information relative to this application and I should just mention that Mrs. Bedman has submitted an identical application to her last one with no changes. I suppose we have to establish the hearing for her anyway.
4. Set public hearing for December 13, 1988 for consideration of the application for an off-sale liquor license at 5600 Bass Lake Road from Jerome F. Halek. There's no requirement in State law or City Ordinance or Charter that we could find that requires a public hearing for liquor license. However, we did find some old information in the minutes indicating that the Council decided, back I believe in 1976, and then re-confirmed it in 1981, that they wanted to have hearings on new liquor license applications. Anyway, for new locations. We're doing some more research on this but we thought in that we have an application for this location from the applicant indicated, we should set the hearing unless the Council wants to change that policy established some years ago.

Regular Agenda Items

1. Consideration of an application for an off-sale liquor license at 5924 West Broadway (presently Crystal Liquors) from Richard G. Marsolais. Attached please find a lengthy report and supporting information from the Police Department. I would concur with the Chief's recommendation that we grant the license even though the applicant has not been very cooperative.
2. Consideration of a request from Debora Damborg, 5512 Louisiana Ave. North, to allow liquor at the Becker Park Shelter for a private Christmas party. We have reviewed the ordinance, insurance policy, etc. relative to this request. The Council does have the authority in the ordinance to grant an exception to no liquor in parks. Whenever we allow somebody to use one of our parks for a special event we incur some additional liability and probably more liability when we allow liquor. However, in that

the City is not selling the liquor or furnishing it, I don't see that it is a big problem and in any case we are only liable if we are negligent.

3. Consideration of a revised resolution providing sewer discount rate to include renters. The staff has revised this resolution as the Council recommended at the last meeting relative to who can apply for the discount. I'd recommend approval as revised.
7. Consideration of adopting a pawn shop license ordinance. Members of the Council and myself have been approached by an individual interested in opening a pawn shop in the City of Crystal. In reviewing our ordinance, we find that we have very few rules, regulations, requirements - the only requirement being that they be licensed and pay a license fee. Reviewing pawn shop operation with various people in other communities we find that it is very helpful if you have a comprehensive ordinance that requires items be held a certain length of time, certain record keeping procedures, etc. I've included for your information some sample ordinances and I would recommend that we have the City Attorney draft an ordinance similar to Minneapolis for your consideration at the next Council meeting.
8. Consideration of a resolution regarding Affirmative Action in Employment. In order for us to continue to receive State aids including local government aid, the City has to have an updated affirmative action program. John has been working to revise ours and I recommend that Council adopt the resolution so that we can get it to the State by November 30 as required.
9. Consideration to allow staff to apply for a Celebrate Minnesota 1990 Grant and to allow the Mayor to sign a request for Crystal to become a designated Celebrate Minnesota 1990 Member City. The governor proposed and the last legislature adopted a Celebrate Minnesota 1990 Program and there are grants available for various activities you might pursue in your City. We at this time are applying for a grant to help us acquire the Sinclair Station up by the Crystal Shopping Center and remove it and create a miniature green spot in the heart of that busy intersection. In addition, the Frolics 1990 would be our celebration relative to Celebrate Minnesota 1990. We have the possibility of getting some grant money and other help and publicity by becoming a member of the Celebrate Minnesota 1990 organization. Therefore, I'd recommend that we authorize the City applying.
10. Consideration of a resolution naming the position of Chief of Police as Director and the position of the City Manager as Alternate in the Minnesota Police Recruitment System. The City for some years has recruited most of our new police officers through Minnesota Police Recruitment System. In order for us to participate in that organization we have to have a director and an alternate. In the past the director has been the Police Chief and the alternate the City Manager but they were named in name. We'd recommend that we re-adopt the resolution, just naming the

position of Police Chief and the position of City Manager so that when there are changes in those positions we don't have to redo the resolution.

11. Discussion of increase in insurance contribution for unorganized City employees. We've now settled the union contracts with all City employees and in all cases I believe the insurance contribution for health insurance went up to \$185 for family coverage and full individual coverage. I would recommend that we increase the non-union employees hospitalization contribution to \$185 for 1988 and effective January 1, 1989 increase it to \$195. The increase of the unorganized city employees effective January 8, 1989 would be a little out of character in what I've recommended before but I think for us to have the non-union employees behind the union employees all of the time and driven by that is not always the best situation. I think we might be in a good position to have them at \$195 for all of 1989 before the unions start coming in with their demands. It might actually help hold down the demands by the unions in 1989.
12. Consideration of the approval of a contract with Anderson-Dale Architects for plans for the new Community Center. We need to approve an additional contract for the architectural services for the Community Center so that Anderson-Dale can begin to complete the construction plans, etc. They are working on a contract and I'll either have it to send out with the packet on Thursday or will have it at the meeting and be able to discuss it and answer any questions you have. I'd recommend that we approve the contract so that we can get the plans out for very early Spring bids so that we can get the Center completed as soon as possible.

I have no prior knowledge of anyone wishing to appear on the Open Forum. Have a good weekend. See you next week!

Jerry Dulgar

JD/js

COUNCIL AGENDA - SUMMARY

Call to order

Roll call

Pledge of Allegiance to the Flag

Approval of the minutes of the meeting of November 1, 1988 and the Special meeting of November 9, 1988.

Consent Agenda Items

1. Set public hearing for December 13, 1988 to consider preliminary plat approval of Chalet Acres located at 3359 Vera Cruz Avenue North as submitted by Chalet Ski & Patio.
2. Set public hearing for December 13, 1988 to consider preliminary plat approval of proposed plat Bedman Addition located at 7025 - 46th Avenue North as submitted by Lorraine Bedman.
3. Set public hearing for November 19²⁹, 1988 to consider Variance Application #88-50 for a 20' x 6' addition and a 14' x 17' deck on the existing house which will encroach 20' in the required 40' rear yard setback at 3316 Louisiana Avenue North as requested by Michael Jorgenson.
4. Set public hearing for December 13, 1988 for consideration of the application for an off-sale liquor license at 5600 Bass Lake Road from Jerome F. Halek.

Regular Agenda Items

1. Consideration of an application for an off-sale liquor license at 5924 West Broadway (presently Crystal Liquors) from Richard G. Marsolais.
2. Consideration of a request from Debora Damborg, 5512 Louisiana Ave. North, to allow liquor at the Becker Park Shelter for a private Christmas party.
3. Consideration of a revised resolution providing sewer discount rate to include renters.
4. Consideration of a resolution removing Medicine Lake Road from Crystal's State Aid System.
5. Consideration of accepting site improvements at 5337 Lakeland Avenue North for Standard Water

Control and releasing surety in the amount of \$5,350.

6. Consideration of a letter from the City Attorney dated 10-31-88 regarding Attorney General's opinion on charitable gambling contributions.
7. Consideration of adopting a pawn shop license ordinance.
8. Consideration of a resolution regarding Affirmative Action in Employment.
9. Consideration to allow staff to apply for a Celebrate Minnesota 1990 Grant and to allow the Mayor to sign a request for Crystal to become a designated Celebrate Minnesota 1990 Member City.
10. Consideration of a resolution naming the position of Chief of Police as Director and the position of the City Manager as Alternate in the Minnesota Police Recruitment System.
11. Discussion of increase in insurance contribution for unorganized City employees.
12. Consideration of the approval of a contract with Anderson-Dale Architects for plans for the new Community Center.

Open Forum

Informal Discussion and Announcements

Licenses

Adjournment

APPLICATIONS FOR LICENSE

November 15, 1988

FOOD ESTABLISHMENT - Special Food Handling (\$33.00)

Crystal Liquors, 5924 West Broadway
Halek Liquors, 5600 Bass Lake Road

VENDING - Perishable (Exempt)

Crystal Police Association, 4141 Douglas Drive

VENDING - Nonperishable (Exempt)

Firemen's Relief Assoc. 4101 Douglas Drive

FOOD ESTABLISHMENT - Exempt

Crystal Municipal Swimming Pool, 4848 Douglas Drive
Becker Park Concession, 6225 56th Ave. North
Valley Place - Lion's Ski Area, 3200 Louisiana Ave. North

CHRISTMAS TREE LOT - \$30.25

Jones R. Losen @ 7200 56th Ave. N.

PLUMBING LICENSE - \$30.25

Joseph E. Peters Plumbing, 4520 Abbott Ave. S., Mpls., MN 55410

A-1 Emergency Plumbing, 6181 Georgia Blvd, Oakdale, MN 55109

1989 LICENSE RENEWALS

PLUMBING LICENSE - \$30.25

Thompson Plumbing, 12201 Minnetonka Blvd., Minnetonka, MN 55343

Metropolitan Mechanical Contractors, 7340 Washington Ave. S.,
Eden Prairie, MN 55344

GAS FITTER'S LICENSE - \$30.25

Golden Valley Heating, 5182 West Broadway, Crystal, MN 55429

Kleve Heating & Air, 13075 Pioneer Trail, Eden Prairie, MN 55344

Superior Contractors, 6121 42nd Ave. N., Crystal, MN 55422

Metropolitan Mechanical Contractors, 7340 Washington Ave. S.,
Eden Prairie, MN 55435

Unique Air, 4748 Nicollet Ave. S., Mpls., MN 55409

APPLICATIONS FOR LICENSE
November 15, 1988

GASOLINE STATION: \$36.25 Station + \$7.25 ea. hose conn.(pro-rated)

Steve's Auto Repair, 5626 West Broadway

CIGARETTES: \$12.00 ea. machine and/or over counter sales (pro-rated)

J.F. Halek Liquor, 5600 Bass Lake Road

Dulene

November 1, 1988

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Pursuant to due call and notice thereof, the Regular meeting of the Crystal City Council was held on November 1, 1988 at 7:00 P.M., at 4141 Douglas Drive, Crystal, Minnesota. The Secretary of the Council called the roll and the following were present: Herbes, Moravec, Rygg, Langsdorf, Aaker, Leppa, Smothers. Also in attendance were the following staff members: Jerry Dulgar, City Manager; David Kennedy, City Attorney; William Monk, Public Works Director; Donald Peterson, Building Inspector; Darlene George, City Clerk; Tom Heenan, Chief Sanitarian; Miles Johson, Finance Director; Julie Jones, Community Development Coordinator.

The Mayor led the Council and the audience in the Pledge of Allegiance to the Flag.

The City Council considered the minutes of the Regular City Council meeting of October 18, 1988.

Moved by Councilmember Leppa and seconded by Councilmember Smothers to approve the minutes of the Regular City Council meeting of October 18, 1988.

Motion Carried.

The City Council considered the following items on the Consent Agenda:

1. Consideration of the resignation of Mary Lou Pyne from the Environmental Quality Commission.
2. Consideration of a charitable gambling license renewal application from Crystal Knights of Columbus Council 3656, 4947 West Broadway.

Moved by Councilmember Langsdorf and seconded by Councilmember Leppa to remove item one from the Consent Agenda.

Motion Carried.

The City Council considered the following Public Hearings:

1. It being 7:00 p.m., or as soon thereafter as the matter may be heard, Mayor Aaker declared this was the date and time as advertised for a public hearing at which time the City Council will sit as a Board of Adjustments and Appeals to consider a request from Gerald Coleman for a variance of 5' in the required 30' side street side yard setback to build a 24' x 22' detached garage at 4370 Brunswick Avenue North. The Mayor asked those present to voice their opinions or to ask questions concerning this matter.

The Mayor closed the Public Hearing.

Moved by Councilmember Rygg and seconded by Councilmember Smothers to approve as recommended by and based on the findings of fact of the Planning Commission the authorization

November 1, 1988

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pursuant to Section 515.55 of the Crystal City Code to vary or modify the strict application of Section 515.13, Subd. 3 a) 2) iii) to allow a variance of 5' in the required 30' side street side yard setback to build a 24' x 22' detached garage at 4370 Brunswick Avenue North as requested in application #88-48.

Motion Carried.

- 2a. It being 7:00 p.m., or as soon thereafter as the matter may be heard, Mayor Aaker declared this was the date and time as advertised for a public hearing at which time the City Council will sit as a Board of Adjustments and Appeals to consider a request from Steve Plant and Dane Dale of Crystal Super Valu for a freezer addition which will encroach in the required 22' setback from the lot line on Colorado Avenue at 4210 Douglas Drive. The Mayor asked those present to voice their opinions or to ask questions concerning this matter.

The Mayor closed the Public Hearing.

Moved by Councilmember Smothers and seconded by Councilmember Moravec to approve as recommended by and based on the findings of fact of the Planning Commission the authorization pursuant to Section 515.55 of the Crystal City Code to vary or modify the strict application of Section 515.13, Subd. 2 b) 1) to allow a variance of 9' in the required 22' setback to build a 20' x 12' freezer addition at the existing building at 4210 Douglas Drive as requested in application #88-49.

Motion Carried.

- 2b. Moved by Councilmember Herbes and seconded by Councilmember Moravec to approve as recommended by and based on the findings of fact of the Planning Commission building permit #1289 to install a concrete slab at 4210 Douglas Drive, Crystal Super Valu.

Motion Carried.

- 3a. It being 7:00 p.m., or as soon thereafter as the matter may be heard, Mayor Aaker declared this was the date and time as advertised for a public hearing at which time the City Council will consider participation in joint project of proposed improvements of Medicine Lake Road between Louisiana Avenue N. and Douglas Drive with Golden Valley, New Hope, and Hennepin County. The Mayor asked those present to voice their opinions or to ask questions concerning this matter. Those present and heard were: Bill Johnson, 2702 Kentucky Avenue North.

The Mayor closed the Public Hearing.

Moved by Councilmember Langsdorf and seconded by Councilmember Herbes to accept the feasibility report for the joint project of proposed improvements of Medicine Lake Road between Louisiana Avenue N. and Douglas Drive with Golden Valley, New Hope, and Hennepin County.

Motion Carried.

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Moved by Councilmember Smothers and seconded by Councilmember Rygg to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 88-66

RESOLUTION APPROVING PARTICIPATION IN A JOINT PROJECT
TO IMPROVE MEDICINE LAKE ROAD (CR70) BETWEEN TH169
AND DOUGLAS DRIVE (CR-102)

By roll call and voting aye: Herbes, Moravec, Rygg, Langsdorf, Aaker, Leppa, Smothers. Motion carried, resolution declared adopted.

- 3b. Moved by Councilmember Smothers and seconded by Councilmember Langsdorf to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 88-67

RESOLUTION REQUESTING THE VARIANCE FROM STATE
AID STANDARDS, COUNTY STATE AID HIGHWAY #70
CITY OF CRYSTAL, HENNEPIN COUNTY, MINNESOTA

By roll call and voting aye: Herbes, Moravec, Rygg, Langsdorf, Aaker, Leppa, Smothers. Motion carried, resolution declared adopted.

4. It being 7:00 p.m., or as soon thereafter as the matter may be heard, Mayor Aaker declared this was the date and time as advertised for a public hearing at which time the City Council will consider the 1989 City of Crystal Budget. The Mayor asked those present to voice their opinions or to ask questions concerning this matter. Present and heard was: Miles Johnson, Finance Director. Mr. Johnson advised the Council that a \$10,000 error had been discovered in the Street Department Budget which would increase the millrate .28% over 1988 Budget.

Moved by Councilmember Leppa and seconded by Councilmember Moravec to cut back to the original .07% decrease in millrate as approved at the October 18, 1988 meeting of the City Council.

Motion Carried.

The Mayor closed the Public Hearing.

Moved by Councilmember Rygg and seconded by Councilmember Leppa to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

November 1, 1988

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RESOLUTION NO. 88-68

RESOLUTION ADOPTING BUDGET AND LEVYING
TAXES FOR CERTIFICATION TO THE COUNTY AUDITOR

By roll call and voting aye: Herbes, Moravec, Rygg, Langsdorf, Aaker, Leppa, Smothers. Motion carried, resolution declared adopted.

The City Council considered the following items on the Regular Agenda:

1. The City Council considered the application of Philip Domek for appointment to the Environmental Quality Commission.

Moved by Councilmember Herbes and seconded by Councilmember Rygg to appoint Philip Domek to the Environmental Quality Commission for an unexpired term expiring December 31, 1989.

Motion Carried.

2. The City Council considered the private kennel license application for 3432 Kyle Avenue North as submitted by Donna Lundquist. Those appearing and heard were: Tom Heenan, Sanitarian; Donna Lundquist, 3432 Kyle Avenue North; Daniel Sanborn, 3420 Kyle Avenue North. The Mayor read a letter received from Daniel V. Sanborn dated October 24, 1988 in opposition to the kennel license.

Moved by Councilmember Smothers and seconded by Councilmember Leppa to deny as recommended by the Health Department a private kennel license application for 3432 Kyle Avenue North.

Motion Carried.

- 3A. The City Council considered a resolution approving Community Energy Council Program Agreement.
- A. Moved by Councilmember Herbes and seconded by Councilmember Langsdorf to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 88-69

RESOLUTION AUTHORIZING CRYSTAL TO ENTER
INTO COMMUNITY ENERGY COUNCIL PROGRAM AGREEMENT

By roll call and voting aye: Herbes, Moravec, Rygg, Langsdorf, Aaker, Leppa, Smothers. Motion carried, resolution declared adopted.

- 3B. The City Council discussed the initial draft agreement of the Project Air (House Doctor) Agreement.

November 1, 1988

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Moved by Councilmember Langsdorf and seconded by Councilmember Leppa to approve the agreement of the Project Air (House Doctor) as presented by the Recycling Coordinator, and further to authorize the Mayor to sign such agreement.

Motion Carried.

4. The City Council considered a one-day temporary on-sale liquor license for the Minneapolis/Crystal Elks Lodge #44 for the hosting of the Minnesota Elks State Bowling Tournament for five consecutive weekends on 1-29-89, 2-5-89, 2-12-89, 2-19-89, and 2-26-89. Ed Thonander of the Elk's Lodge #44 appeared and was heard.

Moved by Councilmember Langsdorf and seconded by Councilmember Smothers to approve a one-day temporary on-sale liquor license for the Minneapolis/Crystal Elks Lodge #44 for the hosting of the Minnesota Elks State Bowling Tournament for five consecutive weekends on 1-29-89, 2-5-89, 2-12-89, 2-19-89, and 2-26-89.

Motion Carried.

5. The City Council considered a charitable gambling license renewal application for Church of All Saints at the Paddock Bar.

Moved by Councilmember Leppa to table and direct staff to have applicant correct the lease agreement to indicate the actual premises to be leased and for what purpose the premises are to be used, and resubmit to City Clerk.

Motion failed for lack of a second.

Moved by Councilmember Moravec and seconded by Councilmember Leppa to table.

Motion Carried.

6. The City Council considered a request from North Memorial Hospital to have liquor at the Becker Park Shelter for a private Christmas party on Saturday, December 3, 1988, from 7:30 p.m. to 12:30 a.m.

Moved by Councilmember Moravec and seconded by Councilmember Rygg to approve the request with North Memorial Hospital providing necessary insurance.

Councilmember Moravec withdrew his motion upon being advised that it was not North Memorial, but a staff Christmas party not being sponsored by North Memorial Hospital.

Moved by Councilmember Moravec and seconded by Councilmember Smothers to continue to the November 15, 1988 meeting and direct staff to review the use of City facilities for functions such as this.

Motion Carried.

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7. The City Council considered the Second Reading of an Ordinance regarding City of Crystal license fees for refuse vehicles, lodging, pools and kennels.

Moved by Councilmember Langsdorf and seconded by Councilmember Herbes to adopt the following ordinance:

ORDINANCE NO. 88-10

AN ORDINANCE RELATING TO LICENSE FEES
FOR VARIOUS LICENSED ACTIVITIES

and further, that this be the second and final reading.

Motion Carried.

8. The City Council considered a resolution amending senior/disabled sewer rate discount program to include renters.

Moved by Councilmember Leppa and seconded by Councilmember Smothers to continue to next meeting and directed staff to review Item 3-Qualifications.

Motion Carried.

The Mayor called recess at 9:00 p.m. and the City Council reconvened at 9:10 p.m.

9. The City Council considered accepting site improvements and releasing surety for property at 3245 Vera Cruz for Volunteers of America Care Facilities.

Moved by Councilmember Smothers and seconded by Councilmember Moravec to accept the work required as condition of site improvements for Volunteers of America Care Facilities, 3245 Vera Cruz, subject to guaranteed provisions of the agreement, effective this date, and that surety in the amount of \$9,500 be released, subject to said guarantee, as recommended by the City Engineer.

Motion Carried.

10. The City Council considered accepting site improvements and releasing surety for Frank's Furniture, 5419 Lakeland Avenue North.

Moved by Councilmember Herbes and seconded by Councilmember Rygg to accept work required as a condition of site improvement for Franks Furniture, 5419 Lakeland Avenue North, subject to guaranteed provisions of the agreement, effective this date, and that surety in the amount of \$6,000 be released, subject to said guarantee, as recommended by the City Engineer.

Motion Carried.

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11. The City Council considered a resolution establishing just compensation and authorizing purchase of 3432 Welcome Avenue North.

Moved by Councilmember Herbes and seconded by Councilmember Smothers to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 88-70

RESOLUTION ESTABLISHING JUST COMPENSATION
AND AUTHORIZING OFFERS TO ACQUIRE 3432 WELCOME AVE. N.

By roll call and voting aye: Herbes, Moravec, Rygg, Langsdorf, Aaker, Leppa, Smothers. Motion carried, resolution declared adopted.

12. The City Council considered a resolution establishing just compensation and authorizing purchase of 4500 Adair Avenue North.

Moved by Councilmember Rygg and seconded by Councilmember Moravec to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 88-71

RESOLUTION ESTABLISHING JUST COMPENSATION
AND AUTHORIZING OFFERS TO ACQUIRE 4500 ADAIR AVE. N.

By roll call and voting aye: Herbes, Moravec, Rygg, Langsdorf, Aaker, Leppa, Smothers. Motion carried, resolution declared adopted.

13. The City Council considered stop sign installation at the following locations:

- A. Two way stop signs on Welcome Avenue at 32nd Avenue North.
- B. Two way stop signs on Brunswick Avenue at 32nd Avenue.
- C. Two way stop signs on Perry Avenue at 35th Avenue.
- D. Two way stop signs on Xenia Avenue at 46th Avenue.
- E. Two way stop signs on Adair, Zane, and Yates Avenues at 57th Avenue.
- F. Single stop signs on Brunswick, Zane, and Yates Avenues at 58th Avenue.
- G. Single stop sign on 57th Avenue at Brunswick Avenue.

Moved by Councilmember Rygg and seconded by Councilmember Langsdorf to approve stop sign installations at A-G locations as listed above.

Motion Carried.

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14. The City Council considered the 1988 contract with Teamsters Local #320 (Police Dispatchers).

Moved by Councilmember Smothers and seconded by Councilmember Langsdorf to adopt the 1988 contract with Teamsters Local #320 (Police Dispatchers), to include a 3.47% increase in salary so the top wage for a police dispatcher is now \$2,023 per month; an increase of \$10 in the City's contribution towards insurance to \$185 per month; and elimination of the 2080 hours provision used to calculate the work schedule.

Motion Carried.

15. Moved by Councilmember Herbes and seconded by Councilmember Leppa to approve the list of license applications as submitted by the City Clerk to the City Council, a list of which is on file in the office of the City Clerk, and further, that such list be incorporated into and made a part of this motion as though set forth in full herein.

Motion Carried.

Moved by Councilmember Herbes and seconded by Councilmember Leppa to close the meeting for the conduct of an Executive Session.

Motion Carried.

Regular meeting closed at 9:30 p.m.

The Mayor announced that at the request of and on the advice of the City Attorney, the Council would next convene in closed session for the purpose of discussing with the City Attorney the case of Minnesota Department of Human Rights versus the City of Crystal, presently in litigation. The City Attorney and Leslie A. Altman, Esquire, of the City Attorney's office were present to discuss the litigation. The closed meeting convened at 9:30 p.m.

9:40
At 10:40 p.m. the meeting was reopened. The Mayor announced that the full membership of the Council had discussed with its attorneys the status of the pending litigation described above in the closed meeting, that the discussions had been tape recorded by the City Clerk, and instructed the Clerk to transmit the tape of the closed meeting to the City Attorney.

Moved by Councilmember Rygg and seconded by Councilmember Leppa to adjourn the meeting.

Motion Carried.

Meeting adjourned at 10:42 p.m.

November 1, 1988

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Mayor

ATTEST:

City Clerk

November 9, 1988

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Pursuant to due call and notice given in the manner prescribed by Section 3.01 of the City Charter, the Special Meeting of the Crystal City Council was held on November 9, 1988, at 5:30 P.M., at 4141 Douglas Drive, Crystal, Minnesota. The Secretary of the Council called the roll and the following were present: Herbes, Rygg, Langsdorf, Aaker, Leppa, Smothers. Also in attendance were the following staff members: Jerry Dulgar, City Manager; Darlene George, City Clerk.

The Mayor led the Council and the audience in the Pledge of Allegiance to the Flag.

Mayor Aaker declared this was the time and date for the official canvass of the results of the General Municipal Election held on November 8, 1988. The City Clerk presented to the Council the certification of the returns of the election.

Moved by Councilmember Langsdorf and seconded by Councilmember Rygg to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 88-72

RESOLUTION CANVASSING THE VOTE AND DECLARING THE RESULTS
OF THE GENERAL MUNICIPAL ELECTION

By roll call and voting aye: Herbes, Rygg, Langsdorf, Aaker, Leppa, Smothers; absent, not voting: Moravec. Motion carried, resolution declared adopted.

Moved by Councilmember Langsdorf and seconded by Councilmember Smothers to adjourn the meeting.

Motion Carried.

Meeting adjourned at 5:32 p.m.

Mayor

ATTEST:

City Clerk

ORDINANCE NO. 88-_____

AN ORDINANCE RELATING TO CITY
GOVERNMENT: AMENDING THE CRYSTAL
CITY CHARTER: REPEALING CERTAIN
SECTIONS OF THE CITY CHARTER.

THE CITY OF CRYSTAL DOES ORDAIN:

Section 1. Background: Findings: Authority.

1.01. The City of Crystal (City) is governed by a home rule charter adopted August 23, 1960, pursuant to the Constitution of the State of Minnesota and Minnesota Statutes, Chapter 410 (Act).

1.02. The Charter Commission of the City of Crystal (Commission) has proposed the adoption of a comprehensive amendment (Amendment) to the City Charter and recommended to the City Council that the Amendment be adopted by City Council ordinance in the manner prescribed by Section 410.12, Subdivision 7 of the Act. The form of the Amendment has been reviewed by this Council and is now on file with the City Clerk.

1.03. A public hearing on the Amendment was duly held on November 15, 1988, by the City Council after two weeks' published notice containing the text of the Amendment as required by the Act. The notice contained a brief description of the nature and scope of the Amendment. All persons desiring to be heard with reference to the Amendment were heard at the public hearing.

1.04. The Council finds and determines that it is in the best interest of the City and its inhabitants that the Amendment be adopted.

Sec. 2. Adoption: Repeals: Effective Date.

2.01. The Amendment as proposed by the Commission is adopted.

2.02. The Amendment constitutes the new Charter of the City of Crystal.

2.03. This ordinance is effective on March 1, 1989, 1989. If, by January 23, 1989, a petition requesting a referendum on this ordinance, signed by registered voters of the City is filed with the City Clerk, this ordinance will not be effective until approved by 51% of the voters voting on the question of its adoption at a special election called by the Council for that purpose.

2.04. Upon the effective date of the Amendment the City Clerk is authorized and directed to file a copy of the Amendment with the Secretary of State of the State of Minnesota, the Hennepin County Recorder, and in the City Clerk's office with the certificate required by Section 410.11 of the Act.

Mayor

Attest:

Clerk

A:00110D06.F16

STATE OF MINNESOTA
DEPARTMENT OF PUBLIC SAFETY
LIQUOR CONTROL DIVISION
ST. PAUL, MN 55101
(612) 296-6430

APPLICATION FOR OFF SALE INTOXICATING LIQUOR LICENSE

EVERY QUESTION MUST BE ANSWERED. If a corporation, an officer shall execute this application. If a partnership, a partner shall execute this application.

Applicant's Name (Individual, Corporation, Partnership) Rom-C Inc.		Trade Name or DBA Crystal Liquors	
License Location (Street Address/Lot & Block No.) 5924 West Broadway		License Period From _____ To _____	Applicant's Home Phone (612) 786-0851
Municipality Crystal	County Hennepin	State MN	Zip Code 55420
Name of Store Manager Richard G. Marsolais		Business Phone Number	Date of Birth (Individual Applicant)
If a corporation, state name, date of birth, address, title, and shares held by each officer. If a partnership, state names, address and date of birth of each partner.			
Person/Officer Officer: Richard G. Marsolais	D.O.B. 11/27/45	Address 8426 Mississippi Blvd.	City Coon Rapids Title/Shares 1000
Partner/Officer	D.O.B.	Address	City Title/Shares
Partner/Officer	D.O.B.	Address	City Title/Shares
Partner/Officer	D.O.B.	Address	City Title/Shares

1. If a corporation, date of incorporation _____, state incorporated in MN amount of authorized capitalization 1000, amount of paid in capital \$1000, if a subsidiary of any other corporation, so state none give purpose of corporation general business if incorporated under the laws of another state, is corporation authorized to do business in the State of Minnesota? N/A. Number of certificate of authority _____.
2. Describe premises to which license applies; such as (first floor, second floor, basement, etc.) _____ or if entire building, so state entire building.
3. If operating under a zoning ordinance, how is the location of the building classified? _____?
4. Is establishment located near any state university, state hospital, training school, reformatory or prison? No, state approximate distance _____.
5. State name and address of owner of building Cambridge Apts., Inc. John R. Paulson, Owner has owner of building any connection, directly or indirectly, with applicant? No.
6. State whether applicant, or any of the associated in this application, have ever had an application for a Liquor License rejected by any municipality or State authority; if so give date and details
No.
7. Has the applicant, or any of the associated in this application, during the five years immediately preceding this application ever had a license under the Minnesota Liquor Control Act revoked for any violation of such laws or local ordinances; if so, give date and details No.
8. State whether applicant, or any of the associates in this application, and employees while employed by applicant during the past five years were convicted of any Liquor Law in this state, or under Federal Laws, and if so, give date and details No.
9. Is applicant, or any of the associates in this application, a member of the governing body of the municipality in which this license is to be issued? No. If so in what capacity _____.

FOR OFFICE USE ONLY

Mailing Address (If other than Licensing Authority)		Transaction Type	
Code	Fees A _____ B _____ C _____	Date Approved	Violations Approved

10. State whether any person other than applicants has any right, title or interest in the furniture, fixtures, or equipment for which license is applied, and if so give name and details. Roma Marsolais has a security interest in the assets of the applicant, including fixtures, inventory, accounts receivable and equipment.
11. Have applicants any interest whatsoever, directly or indirectly, in any other liquor establishment in the State of Minnesota? No. Give name and address of such establishment _____
12. Furnish name and address of one bank reference Norwest Bank, 100 NW Coon Rapids Blvd., Coon Rapids, 55433, Checking Account for Richard Marsolais.
13. Under what classification is the license applied for: EXCLUSIVE OFF-SALE LIQUOR STORE, DRUG STORE, COMBINATION ON & OFF LIQUOR, OR GENERAL FOOD STORE _____
14. Are the premises now occupied, or to be occupied, by the applicant entirely separate and exclusive from any other business establishment? Yes
15. If a drug store, state length of time the store has been in operation N/A
16. State whether applicant has, or will be granted, an On-Sale Liquor License in conjunction with this Off-Sale Liquor License, and for the same premises No.
17. State whether applicant has, or will be granted, a Sunday On-Sale Liquor License in conjunction with the regular On-Sale Liquor License No
18. State whether applicant has, or will be granted an Off-Sale Non-Intoxicating Malt Beverage (3/2) License in conjunction with this Off-Sale Liquor License No
19. During the past license year has a summons been issued under the Liquor Civil Liability Law (Dram Shop) M.S. 340A.802. ☐ Yes ☒ No. If yes, attach a copy of the summons.

Subscribed and sworn to before me this

14th day of October, 1988.

[Signature]
(Notary Public)

I hereby certify that I have read the above question and that the answers are true of my own knowledge.

[Signature]

(Signature of applicant)



REPORT ON APPLICANT OR APPLICANTS BY POLICE DEPARTMENT

This is to certify that the applicant, and the associates, named herein have not been convicted within the past five years for any violation of Laws of the State of Minnesota, or Municipal

Ordinances relating to Intoxicating Liquor, except as hereinafter stated _____

NONE

CRYSTAL

(Name of city, village or borough)

Police Department

Approved By:

[Signature]
Chief of Police

Title

(If you have no police department, either the Marshal or the Constable shall execute this report on the applicant.)

MEMORANDUM

TO: Jerry Dulgar
City Manager

FROM: James F. Mossey
Chief of Police

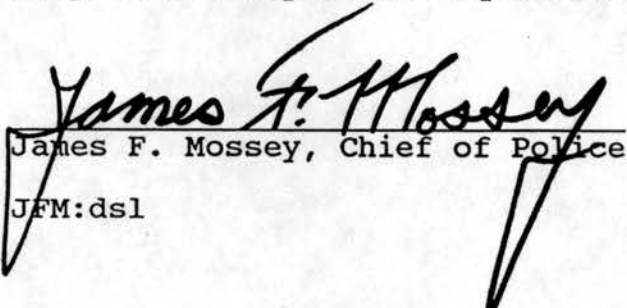
DATE: November 9, 1988

RE: Off Sale Liquor License
Richard G. Marsolais

Attached please find the Resume of Detective Russ McFarlane regarding investigation into the application for an Off Sale Liquor License by Richard G. Marsolais. I regret the delay in the completion of the investigation but we had a very difficult time getting information out of Mr. Marsolais and infact re-opened the investigation to investigate his source of funding and his reason for dismissal from his prior employer which is explained in the investigative report.

There is nothing in Mr. Marsolais' background which would indicate a problem in granting an Off Sale Liquor License. I am therefore recommending, with reservations, that a license be issued. As stated earlier, we have had a lot of trouble getting the applicant to cooperate with us including his not completely filling out his application form and treating the reason for his discharge from the military in a frivolous manner requiring us to seek further clarification on his meaning of a "horrible discharge".

If you have any further questions, please let me know.


James F. Mossey, Chief of Police

JFM:dsl

INTRAOFFICE MEMO

TO: Sgt. Dave Pecchia
From: Det. Russ McFarlane
DATE: 11-8-88
RE: Resubmittal of the Liquor License Investigation of
Richard G. Marsolais

Mr. Marsolais came to the Crystal Police Department at 1:30 p.m. on 10-12-88 at my request for an in-person interview concerning his liquor license application. He told me that he originally noticed the liquor store for sale advertised in a newspaper and does not know any bar or liquor store owners in the Crystal area and has never been the owner of such an establishment before.

Although Mr. Marsolais refused to disclose the reason for his dismissal from Hoffman Engineering during our conversation on 10-12-88, this memo shall serve as record to show that Mr. Marsolais has made a disclosure of that information to the City Manager's Office on a confidential basis. This is the understanding established in conversation between Sgt. Dave Pecchia and I on the afternoon of 11-8-88.

The personnel statement filed by the applicant lists his discharge from the Army as 'horrible.' Upon inquiry he told me that his discharge was honorable and that during his military service he did not leave the contiguous 48 states. He was stationed at Fort Leonardwood, Missouri, and Fort Bliss, Texas.

The business information section for the three references listed by Mr. Marsolais is blank on his application. One of the three references, Mr. Roger Christenson, is listed as self-employed. Mr. Marsolais told me he operates a driving school and an auto salvage yard near 60th Avenue and Central Avenue North in Fridley.

Mr. Marsolais told me he has never been arrested for the commission of a crime. He reports that he is not a defendant or plaintiff in any civil proceeding at present and has never been investigated by the Liquor Commission or Attorney General's Offices of Minnesota. He told me he has never bought or sold an illegal drug and has never used the same. He also told me in response to my questioning that he has no involvement in illegal gambling.

When I talked with Mr. Marsolais in person on 10-12-88 I asked him to elaborate on the \$40,000 listing of personal property on Schedule I of his personal statement. He made no listing of what property constitutes the \$40,000 and he told me during our interview it consists of furniture and appliances in his home. He further stated that he had no idea of the actual value of that type of property in his home, but that the \$40,000 amount 'sounds good.'

After my interview with Mr. Marsolais I authored correspondence addressed to him in which I requested that he further expand upon how the real estate purchase would be financed. The date of the correspondence was October 31, 1988. And in a handwritten correspondence received by the Crystal Police Department on 11-2-88 Mr. Marsolais indicates that the real estate in question will not be purchased but will be leased from Cambridge Apartments, Inc.

A letter from Mr. Marsolais' lawyer addressed to the City Manager, Mr. Dulgar, dated November 4, 1988, contains additional documents pertaining to the lease of the premises as well as the purchase of the liquor store. A copy of that letter will be attached to this document.

I checked with the Coon Rapids Police Department on 10-17-88 and learned that they had no listing of Mr. Marsolais other than a property damage motor vehicle accident. Mr. Walt Perlit of the Minnesota Commission reports they have no record of Mr. Marsolais.

On 10-19-88 I talked with Mr. Gerald Hartfiel, one of the references listed by Mr. Marsolais. I asked him if the applicant had any involvement in illegal gambling, drugs, et cetera, and he answered that Mr. Marsolais did not. I asked him if he would like to elaborate on the suitability of the applicant's character and background for the operation of a retail liquor establishment and again his answer was briefly in the negative.

I also telephoned Mr. Allen Chido on the afternoon of 10-19-88 concerning his listing as a personal reference by Mr. Marsolais. He told me that he lives near Mr. Marsolais but had not been told he was being listed as a reference on the application. He was not aware of any involvement by the applicant in narcotics, vice, illegal gambling, et cetera. He described the applicant as an upstanding individual.

I telephoned Mr. Roger Christenson at Central Auto Parts on 10-19-88 at 6:00 p.m. He told me he has known the applicant for several years and met the applicant after taking up residence nearby. He described the applicant as a 'nice guy' and thought he seemed honest. He expressed some hesitancy about the relative profitability of the venture, but did not give any information to suggest the applicant is unsuitable in terms of his character or past experience.

RJM/ee

ROBERT BRENNER AND ASSOCIATES

ATTORNEYS AT LAW
915 GRAIN EXCHANGE BUILDING
400 SOUTH FOURTH STREET
MINNEAPOLIS, MINNESOTA 55415
(612) 333-7888

ROBERT J. BRENNER
ROBERT R. SEIDEL
PETER M. STEELE

OF COUNSEL:
CLAYTON RIIHILUOMA
BARRIE SCHUMACK

LEGAL ASSISTANTS
CHERYL SCHEWE
SHARYN MCDONALD
WENDY MAUSOLF

November 2, 1988

Mr. Russ McFarlane
Detective
Crystal Police Dept
City of Crystal
4141 Douglas Drive North
Crystal, MN 55422-1696

Dear Mr. McFarlane:

Mr. Marsolais has asked me to respond to your request for information dated October 31, 1988.

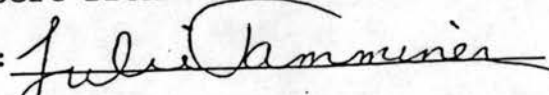
Our office is currently representing Mr. Marsolais in litigation related to his termination from Federal-Hoffman Company. Therefore, I am unable to disclose details concerning the reason for Mr. Marsolais' termination. However, I can assure you that Mr. Marsolais was not terminated for misconduct, which was confirmed by the Dept of Jobs and Training, nor for improper or unlawful conduct. In fact, the legality and appropriateness of Mr. Marsolais' termination are the very subjects of the current litigation.

It is my sincere hope that this response will be to your satisfaction. We in this office have been very impressed with Mr. Marsolais' character, and have seen no evidence to doubt his integrity. I would not like to see Mr. Marsolais' opportunity delayed or foreclosed because of his termination from Federal-Hoffman. Please let me know if I can be of any further assistance to you.

Very Truly Yours,

Robert Brenner & Associates

By:


Julie M. Tamminen

11-2-88

Mrs. Russ McFarlane

There will not be a real estate purchase. The real estate will be leased from Cambridge Gt. Inc. and will be paid for from the profits of the business.

I hope this response is to your satisfaction

Very Truly Yours
Richard Marsola

LAW OFFICES
JOHNSON, WOOD, PHLEGER & BIGELOW

PETER W. JOHNSON
JOHN W. WOOD, JR.
GARY L. PHLEGER
WARREN V. BIGELOW, JR.
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MICHAEL V. KNIGHT
JAMES M. VENTURA
T. CHRIS STEWART
STEPHEN A. PALMER

OF COUNSEL
EARLE J. NIEDERLUECKE
JAMES D. MACKINNON

2305 COMMERCE BOULEVARD
MOUND, MINNESOTA 55364
(612) 472-1060

November 4, 1988

REPLY TO: WAYZATA

Jerry Dulgar
Crystal City Manager
4141 North Douglas Drive
Crystal, MN 55428

Re: Application of Richard Marsolais for Off-Sale Liquor License

Dear Mr. Dulgar:

Pursuant to our telephone conversation of November 7, 1988, I enclose the following documents in supplementation of my client's application for an off-sale liquor license:

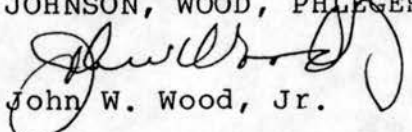
- 1) Copy of Purchase Agreement for the assets of Crystal Liquors;
- 2) Copy of Assignment of Lease from Joseph Lukic to Rom-C, Inc.;
- 3) Copy of Decision on Appeal to the Commissioner for Richard Marsolais, Claimant, and Federal Cartridge Company, Appellant.
- 4) Copies of Promissory Note and Security Agreement between Rom-C, Inc. and Roma and James Marsolais. The financing for the purchase is being provided by Mr. Marsolais's mother and brother.

I understand that the information concerning Mr. Marsolais's dispute with his former employer will be treated confidentially, and that your primary concern was to eliminate any chance of dismissal due to some serious form of misconduct.

Thank you very much.

Very truly yours,

JOHNSON, WOOD, PHLEGER & BIGELOW


John W. Wood, Jr.

JWW:lj

Enc.

PROMISSORY NOTE

\$110,000

November 2, 1988

For value received, the undersigned promises to pay to the order of James and Roma Marsolais at such place as shall be designated by the payees, the sum of One Hundred Ten Thousand (\$110,000.00) Dollars in lawful money of the United States, with interest thereof from the date hereof at 8% per annum, payable in monthly installments of \$941.66, commencing December 1, 1988, and continuing on the 1st day of each month thereafter until December 1, 2008, when all unpaid principal and interest, if any, shall be due and owing.

The undersigned, its successors or assigns, reserves the right to prepay in whole or in part the balance due hereunder at any time.

This Note is secured by a Security Agreement of even date herewith, receipt of which is hereby acknowledged by the undersigned.

In the event of any default of the payments of any amount due hereunder, the holder hereof shall give written notice thereof to the undersigned or its assigns at 5924 West Broadway, Crystal, Minnesota, 55428, or to such other address as the undersigned may inform the holder of in writing. In the event that any such default is not cured within thirty (30) days after the receipt of such notice, the holder hereof may, at their option, declare the entire balance due hereunder immediately due and payable without further notice. Failure to exercise this

option shall not constitute a waiver of the right to exercise this option at a later date..

The undersigned agrees to pay, in the event of default hereunder, the cost of collection, including reasonable attorneys' fees.

The undersigned agrees to pay this note and waive demand, presentment, protest, and notice of dishonor, and exonerate the holder hereof from any duty or obligation to make demand on any one for payment or, except as otherwise provided herein, to give notice to any one of non-payment hereof and further consent to the extension, renewal, exchange, surrender or release of this Note or any person bound hereunder by the holder hereof.

ROM-C, Inc.

By: _____
Richard Marsolais,
President

GUARANTY AGREEMENT

FOR VALUE RECEIVED, and to enable ROM-C, Inc., hereinafter designated as "debtor", to operate an off-sale liquor store, I hereby guaranty the full and prompt payment to James and Roma Marsolais of all amounts due and owing under that Promissory Note dated November 2, 1988.

The granting of the loan to ROM-C, Inc. is made in specific reliance upon my guaranty of said loan.

This guaranty shall be binding upon the undersigned, upon his heirs, legal representatives and assigns, and each of them, respectively, shall enure to the benefit of James and Roma Marsolais, their successors, legal representatives and assigns.

Dated: November 2, 1988.

Richard Marsolais

U

EXHIBIT "A"

CRYSTAL LIQUORS

Sale includes the following personal property:

- 1 - 13-door walk-in beer cooler
- 1 - 2-door free-standing cooler
- 1 - 4-wheel dolly
- 1 - 3-wheel dolly
- 3 - Shopping carts
- 2 - Electronic cash registers
- Shelving and counters (includes back room counter)
- 1 - Desk
- 1 - Office table (round)
- 3 - Office chairs
- 15 - Beer pumps
- 1 - Check protector
- 2 - Telephones
- 1 - Free standing street sign
- 2 - Wall signs
- 2 - Label guns
- 1 - 4-drawer cabinet
- 1 - Office clock
- 3 - 1/2 BBL. stands (2 office, 1 counter)
- 1 - Safe
- 1 - Liquor stand shelf in office
- 1 - Illuminated price sign
- 1 - Cigarette display shelf (belongs to R.J. Reynolds)
- 2 - Super coolers for kegs

REORDER FROM
Register, Inc.
314 PIERCE ST.
P.O. BOX 218
ATOKA, MN. 55303
(612) 421-1713

STATE OF MINNESOTA UNIFORM COMMERCIAL CODE STANDARD FORM UCC-1

Print or Type in Black Ink

FINANCING STATEMENT

(Read Instructions on Back)

This STATEMENT is presented for filing pursuant to the Uniform Commercial Code

Debtor(s) (Last Name First) and Address(es)

ROM-C, Inc.
5924 West Broadway
Crystal, MN 55428

Secured Party(ies) and Address(es)

James and Roma Marsolais

For
Filing
Officer

1. This financing statement covers the following types (or items) of property:

Any and all assets, tangible or intangible, now or hereafter acquired, including, but not limited to all inventory of debtor, all accounts of debtor, all contract rights of debtor, all business equipment of debtor, including but not limited to, the business equipment and fixtures located at 5924 West Broadway, Crystal, Minnesota and described in Exhibit "A" attached hereto

Assignee(s) of Secured Party

2. ☐ Products/Proceeds of Collateral are also covered by this Statement

☐ If crops are covered describe the real estate and give the name of the record owner.

____ Additional sheets presented.

____ Debtor is a transmitting utility as defined in M.S. 336-9.105.

☒ For Filing with the Secretary of State of Minnesota.

____ For Filing with the County Recorder _____ County.

____ For Filing in Uniform Commercial Code Records

Signature(s) of Debtor(s): (Required in most cases — see instruction #5)

BY: _____

BY: _____

If the Debtor's signature is not present indicate the reason for its absence in the Debtor's signature block and sign the Secured Party's signature block.

Signature of Secured Party

BY: _____

SECURITY AGREEMENT

ROM-C, Inc.

(Name of Debtor)

whose address is 5924 West Broadway, Crystal, Minnesota 55428

in the County of Hennepin, State of Minnesota, (hereinafter called "Debtor" whether one or more) does

hereby grant unto James and Roma Marsolais (hereinafter called "Secured Party"), a security interest in the following described property (hereinafter called "Collateral"): (Check and complete where applicable)

- ☒ (a) All inventory of Debtor now owned or hereafter acquired which is held for sale or lease or is held as raw-materials, work in process or materials used in connection with Debtor's business;
- ☒ (b) All accounts of Debtor now existing or hereafter at any time acquired (and if specific accounts the same are listed on Schedule A hereto attached and made a part hereof);
- ☒ (c) All contract rights of Debtor now existing or hereafter at any time arising;
- ☒ (d) Other:

Any and all assets, tangible or intangible, now or hereafter acquired, including, but not limited to all inventory of debtor, all accounts of debtor, all contract rights of debtor, all business equipment of debtor, including but not limited to, the business equipment and fixtures located at 5924 West Broadway, Crystal, Minnesota and described in Exhibit "A" attached hereto.

- ☒ (a) All proceeds and products of the foregoing,

to secure prompt payment to Secured Party at the address stated above of a note or notes dated November 2, 1988

executed by Debtor to Secured Party in the sum of \$ 110,000.00 with interest as provided therein, and any and all extensions and renewals thereof, and any and all future advances made by Secured Party to Debtor at Secured Party's option, together with all other liabilities of each Debtor to Secured Party (primarily, secondarily, direct, contingent, sole, joint, or several) due or to become due or which may be hereafter contracted or acquired and the performance by Debtor of all of the terms and conditions of this Security Agreement (hereinafter referred to as "Obligations").

DEBTOR WARRANTS, REPRESENTS AND AGREES THAT:

1. Debtor is the owner of the Collateral, or will be the owner of the Collateral to be acquired after the date hereof, free of all liens, encumbrances and security interests except the security interest hereby created, and has authority to execute this agreement. The accounts are genuine and enforceable, and there are no offsets, counterclaims, or defenses to any of them.

2. Debtor's inventory, books, records, contract rights and other property above specified relating to the Collateral are or will be kept at the above address unless a different address is shown in the following space None.

and Debtor will not without the prior written consent of Secured Party remove or permit the same to be removed from the location or locations set forth above.

THIS AGREEMENT IS SUBJECT TO THE TERMS PRINTED ON THE REVERSE SIDE HEREOF, WHICH ARE MADE A PART HEREOF.

Dated November 2, 1988

(Secured Party)

BY

BY
(To be signed if agreement is to be filed in lieu of Financing Statement.)

ROM-C, Inc.

By:

Richard Marsolais

(Debtor)

PERSONAL STATEMENT

NOTE: Application must be typewritten or clearly printed in ink. All questions must be answered, if applicable. If not, indicate NA (not applicable). Applications which are not complete and legible will not be considered. If space provided is not sufficient for complete answers, or you wish to furnish additional information, attach sheets of the same size as this application and number answers to correspond with questions.

1. PERSONAL HISTORY

Name in full (Last, first, middle)

MARSOLAIS RICHARD GEORGE
List all other names you have used including nicknames; if female, furnish maiden name. If you have ever legally changed your name, give date, place and court.

DICK

Birthdate (Month, day, year) <u>11-21-45</u>	Are you a U.S. citizen? <input checked="" type="checkbox"/> Yes () No	Naturalized? <input checked="" type="checkbox"/> Yes () No	Derivative? <input type="checkbox"/> Yes () No
Place of birth <u>MPLS</u>	Naturalization Place _____ Date _____ Court _____	Explain Derivative Citizenship _____ _____	



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TO WHOM IT MAY CONCERN:

This will authorize any and all credit bureaus, credit rating organizations, banks, banking institutions, or any commercial establishment or store which has information relating to the credit rating or standing of the undersigned, to make the same available in its entirety to the Police Department of the City of Crystal, and supplying the said Police Department with such information as they may require.

I have in the past used the names of _____

The signature of my spouse appended hereto gives the same consent as above.

Richard Marsolais
(Signature)

Date: 9-29-88

Cheryl Marsolais
(Spouse's Signature)

8426 MISS BLVD CR.
(Address)

WITNESSES:

[Signature]

Jim Larson

ACORD INSURANCE BINDER

ISSUE DATE (MM/DD)

10/19/88

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM.

PRODUCER THE INSURANCE AGENCY CRYSTAL 7000 BASS LN RD CRYSTAL MN 55428		COMPANY ST PAUL CO		BINDER NO. CRYL50-	
		DATE EFFECTIVE TIME		DATE EXPIRATION TIME	
		11/02/88 12:01 X AM		12/02/88 X 12:01 AM	
		PM		NOON	
CODE		SUB-CODE		THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY NO.:	
INSURED CRYSTAL LIQUORS 5924 WEST BROADWAY CRYSTAL MN 55428		DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (INCLUDING LOCATION) OFF SALE LIQUOR STORE			

COVERAGES		ALL LIABILITY LIMITS IN THOUSANDS		
TYPE OF INSURANCE	COVERAGES/FORMS	AMOUNT	DEDUCTIBLE	COINSURANCE
PROPERTY CAUSES OF LOSS <input type="checkbox"/> BASIC <input type="checkbox"/> BROAD <input checked="" type="checkbox"/> SPECIAL	ALL RISK BUILDING CONTENTS	70 40	250 250	
GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCURRENCE OWNER'S & CONTRACTORS LIQUOR LIABILITY	RETRO DATE FOR CLAIMS MADE:	GENERAL AGGREGATE \$ 300 PRODUCTS-COMP/OPS AGGREGATE \$ 300 PERSONAL & ADVERTISING INJURY \$ 300 EACH OCCURRENCE \$ 300 FIRE DAMAGE (ANY ONE FIRE) \$ 50 MEDICAL EXPENSE (ANY ONE PERSON) \$ 5		
AUTOMOBILE <input type="checkbox"/> LIABILITY <input type="checkbox"/> NON/OWNED <input type="checkbox"/> HIRED <input type="checkbox"/> GARAGE	<input type="checkbox"/> ALL VEHICLES <input type="checkbox"/> SCHEDULED VEHICLES	CSL \$ BI PERS/ACCID \$ PD \$ MED. PAY \$ PIP \$ UM \$		
AUTO PHYSICAL DAMAGE <input type="checkbox"/> COLLISION DED: <input type="checkbox"/> QTC DED:	<input type="checkbox"/> ALL VEHICLES <input type="checkbox"/> SCHEDULED VEHICLES	ACV STATED AMOUNT \$ OTHER		
EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE AGGREGATE SELF-INSURED RETENTION		
WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY		STATUTORY \$ (EACH ACCIDENT) \$ (DISEASE-POLICY LIMIT) \$ (DISEASE-EACH EMPLOYEE)		

SPECIAL CONDITIONS/RESTRICTIONS/OTHER COVERAGES

NAME & ADDRESS

	<input type="checkbox"/> MORTGAGEE	<input type="checkbox"/> ADDITIONAL INSURED
	<input type="checkbox"/> LOSS PAYEE	
	LOAN#	
	AUTHORIZED REPRESENTATIVE	

CONDITIONS

This Company binds the kind(s) of insurance stipulated on the reverse side. This insurance is subject to the terms, conditions and limitations of the policy(ies) in current use by the Company.

This binder may be cancelled by the Insured by surrender of this binder or by written notice to the Company stating when cancellation will be effective. This binder may be cancelled by the Company by notice to the Insured in accordance with the policy conditions. This binder is cancelled when replaced by a policy. If this binder is not replaced by a policy, the Company is entitled to charge a premium for the binder according to the Rules and Rates in use by the Company.

APPLICABLE IN NEVADA

Any person who refuses to accept a binder which provides coverage of less than \$1,000,000.00 when proof is required: (A) Shall be fined not more than \$500.00, and (B) is liable to the party presenting the binder as proof of insurance for actual damages sustained therefrom.

STATE OF MINNESOTA
DEPARTMENT OF PUBLIC SAFETY
LIQUOR CONTROL DIVISION

BOND NO. RLI370459

NAIC # 12718

SURETY BOND
OFF SALE

Know all men by these presents That we Crystal Liquors

_____ as principal, and
State Surety Company, a corporation
organized and existing under the laws of the State of Iowa and duly authorized to
transact a corporate surety business in the State of Minnesota, as surety, are held and firmly bound unto the city
(Insert City)

of Crystal County of Hennepin
State of Minnesota, in the penal sum of One Thousand and no/100 (\$1,000.00) dollars, good and lawful
money of the United States to be paid to said city of Crystal
(Insert City)

for which payment we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly
by these presents.

Sealed with our hands and seals this 19th day of October, 1988.

Whereas. The above bounden principal desires to carry on the business of handling intoxicating liquors as an

"Off Sale" dealer, in the said city of Crystal, and is
(Insert City)
about to be granted a license for that purpose in pursuance with the provisions of Minnesota Statutes, Chapter 340, as
amended.

NOW THEREFORE, The condition of this obligation is such that if the principal shall comply with the terms of said
license or any modifications, extensions or renewals thereof, and with the provisions of the above entitled act of the legis-
lature of the State of Minnesota, and as it may at any time be amended and supplemented, and all other acts and laws of the
State of Minnesota, and with the rules, regulations and decision lawfully made and issued by the proper authorities of the
State of Minnesota relating thereto, and that if the said principal shall further pay to the said city when due, all taxes,
license fees, penalties and other charges provided by law, and that in the event of any violation of the provisions of any law
relating to the retail "Off Sale" of intoxicating liquor, such bond shall be forfeited to the said city as in said act provided, and
that if the said principal shall pay to the extent of the principal amount of this obligation any damages for death or injury
caused by or resulting from the violation of any of the provisions of this act, then this obligation shall be void, otherwise to
remain in full force and effect.

The surety company consents to be bound by this obligation, notwithstanding any informality in its execution.

This bond is for the license period commencing 11/02/88

and ending 11/02/89.

Witness our hands and seals this 19th day of October, 1988.

Signed, sealed, and delivered in the presence of - Crystal Liquors (Seal)

Richard Marsolais (Seal)
as to principal (Seal)

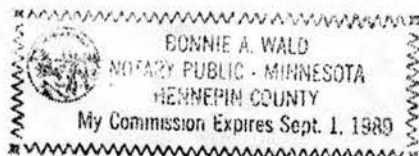
Eay Hane (Seal)
as to surety

ACKNOWLEDGMENT OF PRINCIPAL
For Individual

STATE OF MINNESOTA

County of Hennepin } ss.

On this 19th day of October, 1988, before me, a notary public within and for said
County appeared Richard Marsolais to me known to be the person
signed as principal herein, and stated that he signed the same of his own free will and accord.



Bonnie A. Wald
Notary Public

Hennepin
County, Minnesota.

My Commission expires 9-1-89

FOR CORPORATION

STATE OF MINNESOTA

ss.

County of _____

On this _____ day of _____, 19____, before me appeared _____, to be personally known, who, being duly sworn, did say that he is the _____ of the _____; that the seal affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

Notary Public

(SEAL)

County, Minnesota.

My Commission expires _____

ACKNOWLEDGMENT OF SURETY

STATE OF MINNESOTA

ss.

County of _____

On this _____ day of _____, 19____, before me personally appeared _____, to me personally known, who being by me duly sworn, did say that he is Attorney-in-Fact of the _____, that the seal affixed to the foregoing instrument is the corporate seal of that corporation and that said instrument was executed in behalf of the corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

Notary Public

(SEAL)

County, Minnesota.

My Commission expires _____

BOND

For

OFF SALE LIQUOR LICENSE

Approved by _____ Council,
of the city of _____,
this _____ day of _____,
19____.

Representative of Council.

Approved by the Liquor Control Director
of the State of Minnesota this _____
day of _____, 19____.

Liquor Control Director.



STATE SURETY COMPANY

Des Moines, Iowa

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, That STATE SURETY COMPANY, a Corporation organized and existing under the laws of the State of Iowa, does make, constitute and appoint
 THOMAS J. RERAH GARY KEARIN BONNIE A. WALD
 CRYSTAL, MN.

its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto if a seal is required, bonds, undertakings, recognizances or other written obligations in the nature thereof, as follows:

ALL WRITTEN INSTRUMENTS IN AN AMOUNT NOT TO EXCEED AN AGGREGATE OF TWO HUNDRED FIFTY THOUSAND (\$250,000)-----FOR ANY SINGLE OBLIGATION, REGARDLESS OF THE NUMBER OF INSTRUMENTS ISSUED FOR THE OBLIGATION.

and to bind STATE SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the following provisions of the By-Laws of the company, which are now in full force and effect:

Section 1, Article II: The Chairman of the Board, the President, any Vice-President or any Assistant Vice-President, the Secretary or any Assistant Secretary or the Treasurer shall have authority to issue bonds, policies or undertakings in the name of the Company. The Chairman of the Board, the President or any Vice-President, or any Assistant Vice-President, in conjunction with the Secretary or any Assistant Secretary may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the Company to execute and deliver and to affix the seal of the Company to Bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any power of attorney granted to such person.

And the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if such bond had been duly executed and acknowledged by one of the regularly elected officers of the Company in their own proper person.

This Power of Attorney or any certificate thereof may be signed and sealed by facsimile under and by the authority granted by Section 1, Article II, Paragraph 3 of its By-Laws to wit:

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligation of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed."

It is certified by the officers signing that the foregoing is a true copy of Section I, Article II of the By-Laws of said Company, duly adopted and recorded, and is now in force.

IN WITNESS WHEREOF, STATE SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this

21ST day of JUNE, 1988

David G. Menzel
 Secretary/Treasurer



STATE SURETY COMPANY

Kenneth N. Nelson
 Vice President

STATE OF IOWA, COUNTY OF POLK--ss

On this 21ST day of JUNE

1988

personally came before me, KENNETH N. NELSON and

DAVID G. MENZEL

to me known to be the individuals and officers of the STATE SURETY COMPANY, who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



D. S. SEDREL
 MY COMMISSION EXPIRES

D. S. Sedrel
 Notary Public

My Commission Expires 08/26/88

CERTIFICATE

I, the undersigned, assistant secretary of the STATE SURETY COMPANY, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the provisions of the By-Laws of the company and the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

Signed and sealed at the City of Des Moines this _____ day of _____, 19____

040-2743



Charles R. Ellingsworth
 Assistant Secretary

LICENSE APPLICANT:

Pursuant to Minnesota Statute 270.72 Tax Clearance; Issuance of Licenses, the licensing authority is required to provide to the Minnesota Commissioner of Revenue your Minnesota business tax identification number and the social security number of each license applicant.

Under the Minnesota Government Data Practices Act and the Federal Privacy Act of 1974, we are required to advise you of the following regarding the use of this information:

1. This information may be used to deny the issuance, renewal or transfer of your license in the event you owe the Minnesota Department of Revenue delinquent taxes, penalties or interest;
2. Upon receiving this information, the licensing authority will supply it only to the Minnesota Department of Revenue. However, under the Federal Exchange of Information Agreement the Department of Revenue may supply this information to the Internal Revenue Service;
3. Failure to supply this information may jeopardize or delay the processing of your licensing insurance or renewal application.

Please supply the following information and return along with your application to the agency issuing the license. DO NOT RETURN TO THE DEPARTMENT OF REVENUE.

LICENSE BEING APPLIED FOR OR RENEWED: Off Sale Liquor

LICENSING AUTHORITY: City of Crystal
(name of city, county or state agency issuing license)

LICENSE RENEWAL DATE: _____

PERSONAL INFORMATION (if applicable):

Applicant's Name: Rom-C Inc.

Applicant's Address: 5924 West Broadway

<u>'Crystal</u>	<u>MN</u>	<u>55428</u>
City	State	Zip Code

Social Security Number: _____

BUSINESS INFORMATION (if applicable):

Business Name: Rom-C Inc., d/b/a Crystal Liquors

Business Address: 5924 Mississippi Blvd.

<u>Crystal</u>	<u>MN</u>	<u>55428</u>
City	State	Zip Code

✓ Minnesota Tax Identification No.: 2403606

✓ Federal Tax Identification No.: _____

If a Minnesota Tax Identification number is not required, please explain on the reverse side.

Richard Mansolais

Signature

Position (Officer, Partner, etc.)

Date

PROOF OF WORKERS' COMPENSATION INSURANCE COVERAGE

Minnesota Statute Section 176.182 requires every state and local licensing agency to withhold the issuance or renewal of a license or permit to operate a business in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of Section 176.181, Subd. 2. The information required is: The name of the insurance company, the policy number, and dates of coverage or the permit to self-insure. This information will be collected by the licensing agency and put in their company file. It will be furnished, upon request, to the Department of Labor and Industry to check for compliance with Minnesota Statute Sec. 176.181, Subd. 2.

This information is required by law, and licenses and permits to operate a business may not be issued or renewed if it is not provided and/or is falsely reported. Furthermore, if this information is not provided and/or falsely reported, it may result in a \$1,000 penalty assessed against the applicant by the Commissioner of the Department of Labor and Industry payable to the Special Compensation Fund.

Provide the information specified above in the spaces provided, or certify the precise reason your business is excluded from compliance with the insurance coverage requirement for workers' compensation.

Insurance Company Name: EBA or DCA
(NOT the insurance agent)

Policy Number or Self-Insurance Permit Number: PENDING

Dates of Coverage: 11/02/88 to 11/02/89

(or)

I am not required to have workers' compensation liability coverage because:

() I have no employees covered by the law.

() Other (Specify) _____

I HAVE READ AND UNDERSTAND MY RIGHTS AND OBLIGATIONS WITH REGARDS TO BUSINESS LICENSES, PERMITS AND WORKERS' COMPENSATION COVERAGE, AND I CERTIFY THAT THE INFORMATION PROVIDED IS TRUE AND CORRECT.

Richard Mansolais
(SIGNATURE)

ARTICLES OF INCORPORATION
OF
ROM-C, INC.

The undersigned incorporator, being a natural person of full age, for the purpose of forming a corporation under the provisions of Minnesota Statutes, Chapter 302A, as amended, hereby adopts the following Articles of Incorporation:

ARTICLE I.

NAME AND REGISTERED OFFICE

- 1.01. Name. The name of this corporation is ROM-C, Inc.
- 1.02. Registered Office. The registered office of this corporation is located at 8426 Mississippi Boulevard, Coon Rapids, Minnesota 55433.

ARTICLE II.

SHARES AND SHAREHOLDERS

- 2.01. Number of Shares. The aggregate number of shares of stock which this Corporation shall have the authority to issue is 10,000 shares.
- 2.02. Classes of Shares. The stock of this Corporation shall be of a single class of common stock, par value \$0.01 per share. The Board of Directors may, from time to time, establish by resolution additional or different classes or series of shares and may fix the rights and preferences of said shares in any class or series.
- 2.03. Issuance of Shares. The Board of Directors shall have the authority to issues shares of a class or series to holders of shares of another class or series to effectuate share dividends, splits, or conversion of its outstanding shares.
- 2.04. Preemptive Rights. No holder of stock of this Corporation shall have any preferential, preemptive or other right of subscription to any shares or any class or series of shares of stock of this corporation allotted or sold or to be allotted or sold as now, or as may hereafter be, authorized, or to any obligations or securities convertible into any class or series of stock of this corporation, nor any right of subscription to any part thereof.
- 2.05. Cumulative Voting. No shareholder shall be entitled to any cumulative voting rights.
- 2.06. Vote Required. The shareholders shall take action by the affirmative vote of the holders of the majority of the voting power of the shares present in voting except where a larger portion is required by these Articles of Incorporation or law.

ARTICLE III.

DIRECTORS

3.01. Board Action Without a Meeting. An action required or permitted to be taken by the Board of Directors of this Corporation may be taken by written action signed by that number of Directors that would be required to take the same action at a meeting of the Board at which all Directors then in office are present, except as to those matters requiring shareholder approval, in which case the written action must be signed by all members of the Board of Directors then in office.

3.02. Limitation of Director Liability. A Director of the Corporation shall not be personally liable to the Corporation or to its shareholders for monetary damages for any breach of fiduciary duty as a director to the full extent permitted by applicable law. If the Minnesota Business Corporation Act is amended to authorize the further elimination or elimination of the liability of Directors, then the liability of a director to the corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended Minnesota Business Corporation Act. Any repeal or modification of this section 3.02 by the shareholders of the Corporation shall be perspective only and shall not adversely effect any limitation in the personal liability of, or any right or protection as, a Director of the Corporation existing at, or with respect to any act or omission which occurred prior to, the date of such repeal or modification.

ARTICLE IV.

INCORPORATOR AND INITIAL DIRECTOR

4.01. The names and post office addresses of the person constituting the first Board of Directors is:

Richard Marsolais
8426 Mississippi Boulevard
Coon Rapids, MN 55433

4.02. The name and address of the Incorporator is:

C. Scott Massie, Esq.
730 East Lake Street
Wayzata, MN 55391

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of October, 1988.


C. Scott Massie

ADDENDUM FOR CORPORATE LIQUOR LICENSES

1. During the past license year to date, state the name or names including home and business address, date of birth, places of birth, citizenship of each and every person directly or indirectly owning, operating or controlling your applicant's operation other than manager, stockholders, officers and directors. State the nature, percent and type of such ownership, operation and control.

ANSWER: This is a new applicant, and neither the Applicant nor the sole shareholder, Richard G. Marsolais, have been licensed for On or Off Liquors. Only Richard G. Marsolais is the owner of any issued stock of the Applicant.

2. List all changes of officers and directors that have occurred in the past license year, from whom, to whom with the percentage of stock ownership of each.

ANSWER: Not applicable - no changes.

3. (a) List amount and type of shares of stock issued by said corporation, indicate whether voting or non-voting and list each shareholder of record as of this date together with the number and types of shares owned by each person, indicate whether voting or non-voting.

(b) List each and every share of stock that has been transferred from one stockholder to another during the past license year. State type and indicate whether voting or non-voting. State the name and address of the transferor and the name and address of the transferee.

ANSWER: Richard G. Marsolais is the sole shareholder and is the owner of 1,000 shares of the Applicant. There is only one class of stock and that is common stock.

4. (a) How many stockholder's meetings were held during the past license year?

(b) State dates and places of holding meetings.

(c) The names and addresses of all persons in attendance and relationship to corporate license holder.

ANSWER: No shareholder meetings were held during the last year, as Applicant was only incorporated on October 12, 1988.

5. (a) How many directors' meetings were held during the past license year?
- (b) State the dates and places of holding each meeting.
- (c) The names and addresses of all persons in attendance and their relationship to the corporation.

ANSWER: See answer to No. 4 - no directors meetings have been held yet other than one organizational meeting to elect Richard G. Marsolais to the Board of Directors.

6. (a) During the past license year list the number and types of each share of stock voted by proxy in any stockholder's meeting.
- (b) List the name and address of the owner and name and address of the person to whom such proxy was given, the number of shares involved and whether such proxy is a single purpose proxy or good for more than one meeting.

ANSWER: Not applicable.

7. (a) During the past license year to date, list each share of stock in which the owner thereof is a limited owner such as a trustee, guardian, attorney in fact, pledgee, executor, administrator, assignee or in any other representative capacity.
- (b) State the number and types of shares of stock involved, the names of all parties having an interest in such stock, the number of shares of stock involved, the names and addresses of all parties in interest, and a statement of such interest as to each.

ANSWER: (a) Not applicable.

- (b) Richard G. Marsolais is the sole owner of 1,000 shares of common stock, which is the only stock that has been issued to anyone to date.
8. (a) During the past license year to date, state any and all powers of attorney (general or special) in force as to voting of stock or as to the management of the licensed corporation.
- (b) State the name of the grantor and the grantee and other details pertaining thereto.

ANSWER: Not applicable.

9. (a) During the past license year to date, state as to whether the corporation has issued, hypothecated, pledged or otherwise transferred or assigned any new or already issued stock.

(b) State the amount and type of stock involved, the name and addresses of the persons involved and on what dates.

ANSWER: No.

ASSET PURCHASE AGREEMENT

Date: October 18, 1988

Parties: ROM-C, Inc. (hereinafter "Buyer");

~~Joseph G. Lukic and Paula A. Lukic, Sr.~~
Joseph G. Lukic ~~and Paula A. Lukic, Sr.~~
d/b/a Crystal Liquors (hereinafter jointly
"Seller");

W I T N E S S E T H

WHEREAS, Seller owns and operates a retail, off-sale, liquor business at 5924 West Broadway, Crystal, Minnesota, known as Crystal Liquors.

WHEREAS, Seller desires to sell and Buyer desires to purchase the assets of said business, hereinafter "Business Assets";

WHEREAS, Seller is leasing the premises at 5924 West Broadway, Crystal, and Seller desires to assign said lease to Buyer and Buyer desires to assume the obligations and benefits of said lease, as long as the terms are satisfactory to Buyer.

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements of the parties herein contained, and intending to be legally bound thereby, the parties hereto mutually agree as follows:

1. Purchase and Sale of Business Assets. Subject to and on express reliance of the warranties, representations and covenants contained in this Agreement, and subject to the terms and conditions hereof, Seller hereby agrees to sell, assign, convey and transfer all assets owned by the Seller and used in conducting said business, including, but not limited to, goodwill, inventory, licenses, permits, furniture, trade fixtures, supplies, equipment, leases, name, telephone numbers, and those assets and items listed on Exhibit "A", attached hereto and incorporated herein by reference, hereinafter referred to as "Business Assets".
2. Purchase Price. The purchase price shall be as follows:
 - A. Business Assets. The purchase price for all the Business Assets transferred hereunder, excluding inventory and other excluded assets (which are listed on Exhibit "A" as "Excluded Assets") is \$62,000.00.

- B. Inventory. The Buyer shall pay Seller at the time of closing for the inventory. Inventory shall be defined as all of Seller's inventories of merchandise held for sale which are commercially saleable. Buyer agrees to pay Seller at the time of closing Seller's cost in acquiring the inventory. Buyer and Seller, or their designated representative shall take a physical inventory on the morning of the closing to determine the quantity.
3. Adjustments to Purchase Price and Payment. Notwithstanding anything in this Agreement, or the agreements related to the transactions contemplated hereunder, the obligations of Buyer hereunder shall be limited, and the amounts due paid, as follows:
- A. No payments, except the cash due at closing under Sections 4(a), 4(b) and 4(c) hereof shall be due or payable until all liabilities, costs and expenses to be paid by Seller under Section 5 and 6 hereof are paid or reserved in full to the extent known or reasonably anticipated. In the event all known and anticipated liabilities, costs and expenses are paid or reserved, and payment to Seller is begun or resumed, such payments shall cease to the extent any of such liabilities, costs or expenses become known and there are insufficient amounts due from Buyer hereunder to pay the same.
- B. After paying or reserving for all known or anticipated liabilities, costs and expenses set forth in Sections 5 and 6, Seller shall be entitled to receive the amounts due hereunder; provided that in the event any representation, warranty or covenant of Seller shall contain a material misstatement of fact or omission of a material fact, or if Seller shall be in default or liable for indemnification under this Agreement or any agreement contemplated hereunder, then the purchase price shall be decreased by the amount thereof, including costs and interest at the prime annual rate, and the payment thereof shall be correspondingly decreased.
4. Payment of Purchase Price. The purchase price set forth in Section 2, as adjusted in Section 3, shall be payable as follows:
- A. \$500.00 by application of the earnest money held by Robert A. Gray, realtor for Seller, which shall be paid to Seller at closing.

- B. \$51,500.00 cash shall be due and payable in certified funds or cashier's check on the closing date, which balance shall be subject to all adjustments, credits and offsets, provided for in this Agreement.
- C. \$10,000.00 by depositing in escrow with Buyer's attorneys, Johnson, Wood, Phleger & Bigelow, per an escrow agreement. Said \$10,000.00 or any adjusted amount shall be paid by the escrow agent on behalf of the Buyer to Seller 45 days after the closing.
5. Assumption of Liabilities. The parties hereto agree that the Buyer is assuming absolutely no liabilities of Seller except as specifically set forth in this Agreement, nor is Buyer assuming any liability under any contract with regard to the business assets being purchased hereunder, including, but not limited to, any liabilities under any employment contracts, purchase agreements, equipment loans, or any obligation of Seller. Specifically, Buyer assumes no liability with respect to any outstanding contractual liabilities of Seller, express or implied, or product liability. Seller shall pay or reserve for all known, actual and contingent liabilities not assumed by Buyer on or before the closing date.
6. Bulk Sales Provisions. The parties hereto acknowledge that the acquisition of assets hereunder is a bulk transfer as defined under the Uniform Commercial Code as adopted by the State of Minnesota, and, as such, Seller agrees to fully comply with its terms and subject the proceeds of this sale to its provisions.

Seller shall furnish a list of creditors signed and sworn to by Seller. Said list shall contain all information necessary to prepare the required bulk sale notice. Said list shall contain the names and business address of all creditors of Seller with the amounts due them at the time the list is prepared, and also the names of all persons who are known to Seller to assert claims against Seller whether or not such claims are in dispute. Buyer shall keep said list and the schedule of business assets hereunder for a period of not less than six (6) months following the date of closing hereof, and shall permit inspection of said list and schedules, and the copying thereof at reasonable hours by any creditor of Seller. Buyer, at its option, may file such list of creditors and schedule of assets in the office of the Secretary of State of the State of Minnesota. Updated lists of names, addresses and amounts owed to all of Seller's creditors shall be provided by sworn statement on the date of closing.

Buyer, at Buyer's sole discretion, may elect within ten (10) days prior to the date of closing or ten (10) days after receiving such information to provide notice to creditors of Seller in accordance with Minnesota Statute Section 336.6-105, which notice shall state that a bulk transfer is about to be made, the names and business addresses of the Seller and the Buyer, and all other business names and addresses used by the Seller within the prior three (3) years so far as such addresses known to the Buyer; whether or not debts of the Seller are to be paid in full as they fall due as a result of the transaction, and, if so, the address to which the creditor should send their bills; provided that if Buyer is in doubt as to whether Seller can pay all such amounts when they fall due, Buyer shall also state the location and general description of the property to be transferred and the estimated total of the Seller's debts; the address where the schedule of property and list of creditors may be inspected; the extent to which the transfer is to pay existing debts and the amount of such debts and to whom they are owed; the extent to which the transfer is for new consideration and the amount of such consideration and the time and place for payment; and the time and place for creditors of the Seller are to file their claims with respect to such new consideration. Said notice shall be delivered personally or sent by registered or certified mail to such persons as are shown on the list of creditors furnished by Seller and to all other persons who are known to Buyer to hold or assert claims against Seller.

To the extent of the new consideration payable in accordance with the terms of this Agreement, Seller acknowledges that Buyer is obligated to assure that such consideration is applied so far as necessary to pay those debts of Seller which are either shown on the list, furnished by the Seller or filed in writing in the place stated in said notice within thirty (30) days after the mailing thereof. The parties therefore agree that Buyer may hold all of the cash proceeds or a part thereof, to be paid at the date of closing for thirty (30) days after closing in accordance with its obligations under said law, if in the determination additional monies need to be withheld. To the extent of such creditors as have been furnished notice, and such additional creditors have filed notice and writing within thirty (30) days after the mailing of such notice, Buyer shall, upon the consent of Seller, pay that portion of the proceeds hereunder as may be necessary to pay such approved obligations. To the extent that Seller states that debts are in dispute, an amount equal to one and one half times the amount of such disputed debt shall be paid over and held in escrow by Johnson, Wood, Phleger & Bigelow under the

escrow agreement pending distribution when such dispute is settled or adjudicated. In the event that the amounts due at closing are insufficient to pay all of the debts in full, distribution shall be made prorata unless there is an agreement among the creditors to distribute the proceeds on another basis and the amounts due to Seller hereunder after the date of closing shall likewise be paid prorata or in accordance with such agreement until said obligations have been paid in full or properly reserved in accordance with this section.

Notwithstanding the above, in the event any creditor or claim is made against Seller to Buyer and Seller fails to respond to Buyer's notice with respect thereto within ten (10) days after the mailing thereof, Buyer shall be entitled to make payment thereof in full and set off the amount thereof against the amounts due Seller hereunder and Seller shall be deemed to have waived any right to dispute or contest such amount with respect to the amounts due hereunder between Buyer and Seller.

In the event Buyer elects not to force compliance with said Bulk Sales Act, Seller agrees to indemnify and hold Buyer harmless from any and all liabilities, costs, damages, claims, suits and expenses, including reasonable attorney's fees and court costs, incurred with regard to the creditors of Seller or as a result of failure to comply with said Act; and Buyer is hereby authorized, upon ten (10) days written notice to Seller of an outstanding claim which Buyer believes to be valid, to pay such claim and offset the amount thereof plus all costs, from any amount due hereunder as the same may become due, plus interest thereon, unless Seller shall protest such payment, make provision therefore and defend against such claim.

7. Representations, Warranties and Covenants of Seller. Sellers, jointly and severally represent, warrant and covenant to Buyer that as of the date hereof, the effective date and the closing date:

A. Financial Disclosures. Seller has furnished Buyer with certain financial information reflecting the operation of the business conducted by Seller, together with Minnesota Sales and Use Tax Returns. The financial information provided to buyer is complete and correct in all material respects, and fairly represents the financial position of Seller and the results of the operations during the past three years.

B. Absence of Undisclosed Liabilities. Except as reflected or reserved hereunder, Seller has no

liabilities or obligations of any nature, whether secured or unsecured, accrued, absolute, contingent or otherwise, whether due or to become due, that would, individually or in the aggregate, materially affect the assets, or the business, financial condition or prospects of the Seller. All debts, liabilities and obligations incurred since the date of this Agreement and prior to closing have been incurred in the ordinary course of business and are usual and ordinary in an amount both individually and in the aggregate.

- C. Tax Matters. Seller has filed all federal, state, county, local tax returns and all other returns or documents with respect to taxes and special assessments (including, without limitation, sales and excess taxes) which are required to be filed, and as such returns are correct in all material respects and made on a proper basis. All taxes, including any penalties or interest thereon, shown as being due on such returns or pursuant to any assessment received have been paid, including unemployment and worker's compensation taxes.
- D. Furniture, Fixtures and Equipment. Seller's furniture, fixtures and equipment, whether owned or leased, are in good condition and reasonable state of repair, taking into account ordinary wear and tear.
- E. Titled Assets, Absence of Liens, etc. Exhibit "A" contains a list of all tangible personal property owned by Seller that is to be transferred to Buyer. Seller has, and at the closing, will have, good and marketable title to all the assets listed on Exhibit "A", and all those assets conveyed hereunder, and all assets are free and clear of all mortgages, liens, charges, encumbrances, pledges, security interest, conditional sales contracts, rental contracts, or claims of any nature whatsoever.
- F. Assumed Name. The name, Crystal Liquors, is a validly existing assumed name under Minnesota law. Seller does not know of any asserted infringement by Seller of any trade name, and Seller has no reason to believe that Seller is infringing a valid and enforceable trade name.
- G. Litigation. There are no lawsuits, administrative proceedings, governmental investigation or arbitrations pending or, to the knowledge of Seller threatened against or relating to Seller or the assets, the leasehold interest of Seller or the transactions contemplated by this Agreement

that would individually or in the aggregate, materially affect the assets, the leasehold interest or the business, financial condition, or prospects of the Seller. The Seller is not a party to or subject to the provisions of any order, writ, injunction, judgment or decree of any court or government agency or instrumentality.

- H. Inventory. The inventory consists and will consist of items of a quality and quantity saleable and usable in the ordinary course of Seller's business and is the property of Seller and is not subject to any lien or encumbrance.
- I. Employment Compliance. Seller has complied with all laws, rules and regulations relating to the employment of labor, including to those related to wages, hours, collective bargaining or the payment of withholding taxes. The employment of all persons presently employed by Seller are terminable at will, without any penalty or severance obligations of any kind.
- J. Absence of Undisclosed Liabilities. To the best of the knowledge and belief of Seller after due diligence, except to the extent reflected or reserved under this Agreement, as of the date of this Agreement and as of the date of closing, Seller has had no liabilities of any nature, whether accrued, absolute, contingent or otherwise, including, without limitation, tax liabilities due or to become due, which may affect title to the assets to be transferred hereunder or affect the transactions contemplated hereunder.
- K. Operations Until Closing. Between the date of this agreement and the closing date, Seller will conduct Seller's business in a prudent manner and in the ordinary course, and shall maintain inventory levels as Seller has maintained them consistently in the past.
- L. Seller's Leasehold Interest. The lease between Seller and landlord of the property where the business is conducted has been complied with by Seller up to the date of closing in all respects, including but not limited to, the payment of any taxes, additional rent, maintenance, and all other obligations required thereunder.
- M. Condition of Building and Equipment. All of Seller's leased fixtures, building systems (electrical, gas, plumbing, heating, and air conditioning), and equipment are in good condition and repair, in proper working order as of the date

of closing and in conformity with all applicable ordinances and regulations, and environmental, building, zoning and other laws.

- N. Survival of Warranties. No representation, covenant or warranty made by Seller in this Agreement or in any exhibit hereto or agreement contemplated hereby contains or will contain on the closing date any untrue statement of a material fact or omit or will fail to state material facts necessary to make any statement made not misleading. All representations and warranties made herein by Seller shall be deemed remade on the closing date and the date of closing, and shall survive the date of closing and continue thereafter.
8. Representations, Warranties and Covenants of Buyer. Buyer warrants and covenants to Seller that as of the date of this Agreement and the date of closing:
- A. Authorization and Authority. The execution, delivery and performance by a Buyer of this Agreement and all other agreements contemplated hereby have been duly and validly authorized and approved by all necessary actions.
- B. Commissions. Buyer has not incurred an obligation or liability, contingent or otherwise, for broker's or finder's fees in connection with the transactions contemplated by this Agreement.
9. Purchase Price Allocation. The total purchase price of the business assets, excluding the inventory, of \$62,000.00 shall be allocated to the various assets of the company as follows:
- | | |
|-------------------------|-------------|
| Equipment and Fixtures | \$40,000.00 |
| Covenant not to compete | \$12,000.00 |
| Good Will | \$10,000.00 |
10. Covenant Not to Compete. Sellers, individually, agree that they shall not, for a period of five (5) consecutive years from the date of closing, directly or indirectly engage in the off-sale liquor business within the cities of Crystal, Brooklyn Park, Brooklyn Center, Plymouth, Golden Valley, and Maple Grove; nor shall Sellers have any interest, directly or indirectly, in such liquor business.
11. Business Trade Name. Seller hereby grants Buyer, effective with the closing of this sale, any and all rights held by Seller and the trade name "Crystal Liquors" and Seller hereby waives any rights thereto and shall not, after the closing, make use of this

name, directly or indirectly. Seller shall, if requested by Buyer, execute a consent for the Buyer of this name for the purposes of filing with the Secretary of State.

12. Conditions Precedent to Buyer's Closing. The obligations of Buyer under this Agreement to be performed at the date of closing shall be subject to the following conditions at or prior to the date of closing, any of which may be waived by Buyer at its option; provided, however, that no such waiver of a condition shall constitute a waiver by Buyer of any of its other rights or remedies, at law or in equity, if Seller shall be in default of any of its representations, warranties or covenants under this Agreement not specifically so waived:

- A. Representations, Warranties and Covenants. Each of the representations, warranties and covenants made by Seller in this Agreement shall be true in all material respects.
- B. No Material Changes. Between the date of this Agreement and the date of closing, there shall not have been any material adverse change in the financial condition or the results of operation of Seller, nor shall Seller have sustained any material loss or damage to its assets, whether or not insured, that materially affects its ability to conduct a material part of its business.
- C. Lease. Buyer shall have entered into a lease with the landlord for the business premises located at 5924 West Broadway, Crystal, Minnesota or the lease shall have been assigned by landlord. Said lease or assignment to be suitable to Buyer.
- D. Licenses. That Buyer shall have obtained all necessary licenses and permits to conduct the business, or shall have said licenses and permits transferred.
- E. Buyer's Training. Buyer's performance hereunder is contingent upon Buyer being adequately trained by Seller prior to the closing.

13. Date of Closing. The date of closing shall be November 2, 1988, or such later date as may be necessary to meet all the conditions precedent, or shall have been agreed to by the parties.

14. Delivery of Documents at Closing. On the date of closing, Seller shall deliver to Buyer the following documents:

1. Bill of Sale for all assets;
2. Non-Competition Agreement;
3. All of Seller's customer list, inventory and sales records, and other data relating to the operation of the business and business assets;
4. Certificates dated within 15 days of the date of closing for proof for use under the Uniform Commercial Code by filing officers of the County in which the premises are located and the Secretary of State of Minnesota or other evidence reasonably satisfactory to Buyer's counsel indicating that there are no security interests, judgments or other liens outstanding against the premises; and
5. Such other instruments and documents as may be required by any other provision of this Agreement or reasonably necessary, in the opinion of Buyer or Buyer's counsel to reflect the performance of this Agreement and all other agreement contemplated hereunder.
6. A sworn updated statement of Seller's liabilities to creditors as required under paragraph 6.

15. Obligations After Closing.

- A. Seller's Indemnification. Seller hereby agrees to indemnify Buyer and hold Buyer harmless from and against any and all losses, costs, damages, assessments, fines and other expenses, including reasonable attorney's fees and court costs, arising out of or resulting from any liabilities or obligations of Seller not expressly assumed by Buyer; any material breach by Seller of any covenant, warranty or representation contained in this Agreement, the exhibits hereto or any agreement contemplated hereunder; or any material inaccuracy in any document delivered by Seller to Buyer pursuant to the terms of this Agreement; and any or all liabilities of every kind and nature and howsoever originated and existing arising out of any and all Seller's business operations prior to or subsequent to the date of closing hereunder and not payable by Buyer in accordance with this Agreement. Buyer shall have the right to set off any amount due hereunder against any amount due Seller as the same may become due.
- B. Seller's Duty to Aid After Closing. Seller hereby agrees to fully answer any questions Buyer may have after the closing for a period of 30 days.

Seller also agrees to help solve any problems Buyer may have after the closing for a period of 30 days.

16. Miscellaneous.

- A. Further Assurances. The parties agree that after the date of closing they will from time to time, upon the reasonable request of the other, execute, acknowledge and deliver in proper form any instruments of conveyance or further assurance necessary or reasonably desirable to meet its obligations, liabilities and agreements contemplated hereunder.
- B. Entire Agreement. Except as supplemented in writing, signed by the party against whom enforcement is sought, this Agreement and the exhibits and documents referred to herein contain all the terms and conditions agreed upon by the parties with respect to the subject matter of this Agreement, and no other promises, agreements or understandings, written or oral, regarding the subject matter of this Agreement shall be of any force or effect.
- C. Modifications. No change, modification or waiver of any provision of this Agreement shall be valid or binding unless it is in writing, dated subsequent to the Agreement hereof and signed by the parties intended to be bound. No waiver of any breach, term or condition of this Agreement by any parties shall constitute a subsequent waiver of the same or any other breach, term or condition.
- D. Headings. The headings used in this Agreement are for convenience only and shall not be deemed to constitute a part hereof, and shall not be deemed to limit, characterize or in any way affect the provisions of this Agreement.
- E. Severability. If any term, covenant or condition in this Agreement shall, to any extent be invalid or unenforceable, the remainder of this Agreement and the covenants contained herein shall not be affected thereby and the residue shall be valid and enforceable to the fullest extent permitted by law.
- F. Survival of Terms. The agreements, representations and warranties contained in this Agreement shall be deemed to be remade at and survive the closing period. Each party agrees to indemnify and hold the other harmless for any breach of any warranty

or representation made by the indemnifying party under this Agreement.

- G. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Minnesota.
- H. Consent to Jurisdiction. The parties hereto consent to the exclusive jurisdiction of the Court of the State of Minnesota and any and all actions in proceedings between the parties hereto arising under or growing out of this Agreement and irrevocably agree to service of process by any means authorized under Minnesota law.
- I. Specific Performance. The Seller acknowledges that its assets are unique and that the Buyer will have no adequate remedy at law if the Seller shall fail to perform any of its obligations hereunder. In such event, the Buyer shall have the right, in addition to any other rights it may have, to specific performance of this Agreement.
- J. Binding Agreement. Except as otherwise provided herein, this Agreement and the terms, conditions and covenants contained herein and transactions contemplated hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective successors, representatives and permitted assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed effective the date and year first written above.

BUYER:

SELLER:

ROM-C, INC.

By:

Richard Marsolais
Richard Marsolais,
President

Joseph G. Lukic
Joseph G. Lukic

Paula A. Lukic Sr

Joseph G

RM
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EXHIBIT "A"

CRYSTAL LIQUORS

Sale includes the following personal property:

- 1 - 13-door walk-in beer cooler
- 1 - 2-door free-standing cooler
- 1 - 4-wheel dolly
- 1 - 3-wheel dolly
- 3 - Shopping carts
- 2 - Electronic cash registers
- Shelving and counters (includes back room counter)
- 1 - Desk
- 1 - Office table (round)
- 3 - Office chairs
- 15 - Beer pumps
- 1 - Check protector
- 2 - Telephones
- 1 - Free standing street sign
- 2 - Wall signs
- 2 - Label guns
- 1 - 4-drawer cabinet
- 1 - Office clock
- 3 - 1/2 BBL. stands (2 office, 1 counter)
- 1 - Safe
- 1 - Liquor Stand Shelf in Office
- 1 - Illuminated price sign
- 1 - Cigarette display shelf (belongs to R.J. Reynolds)
- 2 - Super coolers for kegs

2 - Large security mirrors

1 - Fire extinguisher

1 - Vacuum Cleaner

The following are excluded assets:

1 - Copy machine

1 - Microwave

1 - Television

1 - Desk chair

1 - Stereo and speakers

BUYER:

SELLER:

ROM-C, INC.

By:

Richard Marsolais
Richard Marsolais,
President

Joseph G. Lukic
Joseph G. Lukic

Paula A. Lukic

BY-LAWS
OF
ROM-C, INC.

ARTICLE I - OFFICES

The principal office of the Corporation in the State of Minnesota shall be located in the City of Anoka, County of Anoka. The Corporation may have such other offices, either within or without the State of incorporation as the Board of Directors may designate or as the business of the Corporation may from time to time require.

ARTICLE II - SHAREHOLDERS

1. ANNUAL MEETING.

The annual meeting of the Shareholders shall be held on the second Tuesday of December in each year, beginning with the year 1989 at the hour of 10:00 A.M. for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day.

2. SPECIAL MEETINGS.

Special meetings of the Shareholders may be called for any purpose or purposes at any time, by:

- a) The Chief Executive Officer;
- b) The Chief Financial Officer;
- c) Two or more Directors;
- d) A Shareholder or Shareholders holding ten percent or more of the voting shares.

The business transacted at a special meeting is limited to the purposes stated in the notice of the meeting. Any business transacted at a special meeting that is not included in those stated purposes is voidable by or on behalf of the Corporation, unless all of the Shareholders have waived notice of the meeting.

3. SPECIAL MEETINGS BY SHAREHOLDER DEMAND.

A Shareholder or Shareholders holding ten percent or more of the voting shares may demand a special meeting of Shareholders by

written notice of demand given to the Chief Executive Officer or Chief Financial Officer of the Corporation and containing the purposes of the meeting. Within thirty (30) days after receipt of the demand by one of those Officers, the Board shall cause a special meeting of Shareholders to be called and held on notice no later than 90 days after receipt of the demand, all at the expense of the Corporation. If the Board fails to cause a special meeting to be called and held as required, the Shareholder or Shareholders making the demand may call the meeting by giving notice as required by M.S.A. 302A.435, all at the expense of the Corporation.

4. PLACE OF MEETINGS.

Annual meetings of the Shareholders shall be held at any place, within or without the State of Minnesota as the Board of Directors may determine.

Special meetings shall be held on the date and at the time and place fixed by the Chief Executive Officer, the Board, or a person authorized to call a meeting, except that a special meeting called by or at the demand of a Shareholder or Shareholders shall be held in the county where the principal office is located.

5. NOTICE OF MEETING.

Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than sixty (60) days before the date of the meeting, either personally or by mail, to every holder of voting shares. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Shareholder at his address as it appears on the stock transfer books of the Corporation, with postage thereon prepaid.

A Shareholder may waive notice of a meeting of Shareholders. A waiver of notice by a Shareholder entitled to notice is effective whether given before, at, or after the meeting, and whether given in writing, orally, or by attendance. Attendance by a Shareholder at a meeting is a waiver of notice of that meeting, except where the Shareholder objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened, or objects before a vote of an item of business because the item may not lawfully be considered at that meeting and does not participate in the consideration of the item at that meeting.

6. CLOSING OF TRANSFER BOOKS OR FIXING RECORD DATES.

For the purpose of determining Shareholders entitled to notice of or to vote at any meeting of Shareholders or any adjournment thereof, or in order to make a determination of Shareholders for any other proper purpose, the Directors of the Corporation may provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, sixty (60) days. In lieu of closing the stock transfer books, the Directors may fix in advance a date as the record date for any such determination of stockholders, such date in any case to be not more than sixty (60) days and, in case of a meeting of Shareholders, not less than seven (7) days prior to the date on which the particular action requiring such determination of Shareholders is to be taken. If the stock transfer books are not closed and no record date is fixed for the determination of Shareholders entitled to notice of or to vote at a meeting of Shareholders, or Shareholders entitled to receive payment of a dividend, the date on which notice of the meeting is mailed or the date on which the resolution of the Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of Shareholders. When a determination of Shareholders entitled to vote at any such meeting of Shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof.

7. QUORUM.

At any meeting of Shareholders, fifty-one (51) percent of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of Shareholders. If less than said number of the outstanding shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The Shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Shareholders to leave less than a quorum.

8. PROXIES.

At all meetings of Shareholders, a Shareholder may vote by proxy executed in writing by the Shareholder or by his duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting.

9. VOTING.

Each Shareholder entitled to vote in accordance with the terms and provisions of the Certificate of Incorporation and these By-Laws shall be entitled to one vote, in person or by proxy, for each share of stock entitled to vote held by such Shareholders. Upon the demand of any Shareholder, the vote for the Directors and upon any question before the meeting shall be by ballot. All elections for Directors shall be decided by plurality vote; all other questions shall be decided by majority vote except as otherwise provided by the Certificate of Incorporation or the laws of Minnesota.

10. ORDER OF BUSINESS.

The order of business at all meetings of the Shareholders, shall be as follows:

1. Roll Call.
2. Proof of notice of meeting.
3. Reading of Minutes of preceding meeting.
4. Reports of Officers.
5. Reports of Committees.
6. Election of Directors
7. Unfinished Business.
8. New Business.

11. INFORMAL ACTION BY SHAREHOLDERS.

An action required or permitted to be taken at a meeting of the Shareholders may be taken without a meeting by written action signed by all of the Shareholders entitled to vote on that action. The written action is effective when it has been signed by all of those Shareholders, unless a different effective time is provided in the written action.

12. SHAREHOLDER MANAGEMENT.

The holders of the voting shares of the Corporation may, by unanimous affirmative vote, take any action which the Board may take or the Shareholders may take after action or approval of the Board. As to an action taken by the Shareholders in such manner:

- a) The Directors have no duties, liabilities, or responsibilities as Directors with respect to or arising from the action;
- b) The Shareholders collectively and individually have all of the duties, liabilities, and responsibilities of

Directors with respect to and arising from the action;

- c) If the action relates to a matter required or permitted by law to be approved or adopted by the Board, either with or without approval or adoption by the Shareholders, the action is deemed to have been approved or adopted by the Board; and
- d) A requirement that an instrument filed with a governmental agency contain a statement that the action has been approved and adopted by the Board is satisfied by a statement that the Shareholders have taken the action under this subdivision.

13. PREEMPTIVE RIGHTS.

All Shareholders of the Corporation shall have the preemptive rights set forth in M.S.A. 302A.413 to acquire a certain fraction of the unissued securities of the Corporation.

ARTICLE III - BOARD OF DIRECTORS

1. GENERAL POWERS.

The business and affairs of the Corporation shall be managed by its Board of Directors. The Directors shall in all cases act as a Board, and they may adopt such rules and regulations for the conduct of their meetings and the management of the Corporation, as they may deem proper, not inconsistent with these By-Laws and the laws of Minnesota.

2. NUMBER, TENURE AND QUALIFICATIONS.

The number of Directors of the Corporation shall be at least one (1). Each Director shall hold office until the next annual meeting of Shareholders and until his successor shall have been elected and qualified.

3. REGULAR MEETINGS.

An regular meeting of the Directors, shall be held without other notice than this By-Law immediately after, and at the same place as, the annual meeting of Shareholders. The Directors may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than such resolution.

4. SPECIAL MEETINGS.

Special meetings of the Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Directors may fix the place for holding any special meeting of the Directors called by them.

5. NOTICE.

Notice of any special meeting shall be given at least seven (7) days previously thereto by written notice delivered personally, or by telegram or mailed to each Director at his business address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

6. QUORUM.

At any meeting, one shall constitute a quorum for the transaction of business, but if less than said number is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

7. MANNER OF ACTING.

The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Directors.

8. NEWLY CREATED DIRECTORSHIPS AND VACANCIES.

Newly created directorships resulting from an increase in the number of Directors and vacancies occurring in the Board for any reason except the removal of Directors without cause, may be filled by a vote of a majority of the Directors then in office, although less than a quorum exists. Vacancies occurring by reason of the removal of Directors without cause shall be filled by vote of the Shareholders. A Director elected to fill a vacancy caused by resignation, death or removal shall be elected to hold office for the unexpired term of his predecessor.

9. REMOVAL OF DIRECTORS.

Any or all of the Directors may be removed for cause by vote of the Shareholders or by action of the Board. Directors may be removed without cause only by vote of the Shareholders.

10. RESIGNATION.

A Director may resign at anytime by giving notice to the Board, the President or the Secretary of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board or such Officer, and the acceptance of the resignation shall not be necessary to make it effective.

11. COMPENSATION.

No compensation shall be paid to Directors, as such, for their services, but by resolution of the Board, a fixed sum and expenses for actual attendance at each regular or special meeting of the Board may be authorized. Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

12. PRESUMPTION OF ASSENT.

A Director of the Corporation who is present at a meeting of the Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

13. EXECUTIVE AND OTHER COMMITTEES.

The Board, by resolution, may designate from among its members, an executive committee and other committees, each consisting of three or more Directors. Each such committee shall serve at the pleasure of the Board.

14. ELECTED BY CUMULATIVE VOTING.

Each Shareholder entitled to vote for Directors has the right to cumulate those votes in the election of Directors by giving written notice of intent to cumulate those votes to any Officer of

the Corporation before the meeting, or to the presiding Officer at the meeting at which the election is to occur at any time before the election of Directors at the meeting, in which case:

- a) The presiding Officer at the meeting shall announce, before the election of Directors, that Shareholders shall cumulate their votes; and
- b) Each Shareholder shall cumulate those votes either by casting for one candidate the number of votes equal to the number of Directors to be elected multiplied by the number of votes represented by the shares, or by distributing all of those votes on the same principle among any number of candidates.

15. ACTION WITHOUT MEETING.

An action required or permitted to be taken at a Board meeting may be taken by written action signed by all of the Directors. The written action is effective when signed by the required number of Directors, unless a different effective time is provided in the written action.

ARTICLE IV - OFFICERS

1. NUMBER.

The Officers of the Corporation, shall be a President (Chief Executive Officer), a Vice President, a Secretary and a Treasurer (Chief Financial Officer), each of whom shall be elected by the Directors. Such other Officers and assistant Officers as may be deemed necessary may be elected or appointed by the Directors.

2. ELECTION AND TERM OF OFFICE.

The Officers of the Corporation to be elected by the Directors shall be elected annually at the first meeting of the Directors held after each annual meeting of the Shareholders. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided.

3. REMOVAL.

Any Officer or agent elected or appointed by the Directors may be removed by the Directors whenever in their judgment, the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if

any, of the person so removed.

4. VACANCIES.

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Directors for the unexpired portion of the term.

5. PRESIDENT (CHIEF EXECUTIVE OFFICER).

The Chief Executive Officer shall:

- a) Have general active management of the business of the Corporation;
- b) When present, preside at all meetings of the Board and of the Shareholders;
- c) See that all orders and resolutions of the Board are carried into effect;
- d) Sign and deliver in the name of the Corporation any deeds, mortgages, bonds, contracts or other instruments pertaining to the business of the Corporation, except in cases in which the authority to sign and deliver is required by law to be exercised by another person or is expressly delegated by the Articles or By-Laws, or by the Board to some other Officer or agent of the Corporation;
- e) Maintain records of and, whenever necessary, certify all proceedings of the Board and the Shareholders; and
- f) Perform other duties prescribed by the Board.

6. VICE-PRESIDENT.

In the absence of the President or in the event of his death, inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to him by the President or by the Directors.

7. SECRETARY.

The Secretary shall keep the minutes of the Shareholders' and the Directors' meetings in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these By-Laws or as required, be custodian of

the corporate records and keep a register of the post office address of each Shareholder which shall be furnished to the Secretary by such Shareholder, have general charge of the stock transfer books of the Corporation and in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Directors.

8. TREASURER (CHIEF FINANCIAL OFFICER).

The Chief Financial Officer shall:

- a) Keep accurate financial records for the Corporation;
- b) Deposit all money, drafts, and checks in the name of and to the credit of the Corporation in the banks and depositories designated by the Board;
- c) Endorse for deposit all notes, checks and drafts received by the Corporation as ordered by the Board, making proper vouchers therefor;
- d) Disburse corporate funds and issue checks and drafts in the name of the Corporation, as ordered by the Board;
- e) Render to the Chief Executive Officer and the Board, whenever requested, an account of all transactions by the Chief Financial Officer and of the financial condition of the Corporation; and
- f) Perform other duties prescribed by the Board or by the Chief Executive Officer.

9. SALARIES.

The salaries of the officers shall be fixed from time to time by the Directors and no Officer shall be prevented from receiving such salary by reason of the fact that he is also a Director of the Corporation.

10. MULTIPLE OFFICES.

Any number of offices or functions of those offices may be held or exercised by the same person. If a document must be signed by persons holding different offices or functions and a person holds or exercises more than one of those offices or functions, that person may sign the document in more than one capacity, but only if the document indicates each capacity in which the person signs.

ARTICLE V - CONTRACTS, LOANS, CHECKS AND DEPOSITS

1. CONTRACTS.

The Directors may authorize any Officer or Officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

2. LOANS.

No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Directors. Such authority may be general or confined to specific instances.

3. CHECKS, DRAFTS, ETC.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as shall from time to time, be determined by resolution of the Directors.

4. DEPOSITS.

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Directors may select.

ARTICLE VI

CERTIFICATES FOR SHARES AND THEIR TRANSFER

1. CERTIFICATES FOR SHARES.

Certificates representing shares of the Corporation shall be in such form as shall be determined by the Directors. Such certificates shall be signed by the President and by the Secretary, or by such other Officers authorized by law and by the Directors. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the Shareholders, the number of shares, and date of issue, shall be entered on the stock transfer books of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in case of a lost, destroyed or mutilated certificate, a new one may be issued therefor upon such terms and indemnity to the Corporation as the

Directors may prescribe.

2. TRANSFERS OF SHARES.

- a) Upon surrender to the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer and accompanied by proper evidence that all restrictions on transfer have been complied with, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, and cancel the old certificate; every such transfer shall be enacted on the transfer book of the Corporation which shall be kept at its principal office.
- b) The Corporation shall be entitled to treat the holder of record of any share as the holder in fact thereof, and, accordingly, shall not be bound to recognize any equitable or other claim to, or interest in such share on the part of any other person whether or not it shall have express or other notice thereof, except as expressly provided by the laws of Minnesota.

ARTICLE VII - FISCAL YEAR

The fiscal year of the Corporation shall begin on January 1 of each year.

ARTICLE VIII - DIVIDENDS

The Directors may from time to time declare, and the Corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law.

ARTICLE IX - SEAL

The Corporation shall have no corporate seal.

ARTICLE X - WAIVER OF NOTICE

Unless otherwise provided by law, whenever any notice is required to be given to any Shareholder or Director of the Corporation under the provisions of these By-Laws or under the provisions of the Articles of Incorporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XI - AMENDMENTS

These By-Laws may be altered, amended or repealed and new By-

Laws may be adopted by a vote of the Directors representing a majority of the Board. The Board's power to alter, amend, or repeal shall be subject to the powers of the Shareholders as set forth below. The Board's power to alter, amend or repeal is further limited by statute prohibiting the Board from amending or repealing a By-Law relating to the following:

- a) Fixing the quorum for Shareholders' meetings;
- b) Prescribing procedures for removing Directors or filling vacancies in the Board;
- c) Reducing the number of Directors;
- d) Fixing the classifications, qualifications, or terms of office of Directors.

If a Shareholder or Shareholders holding three percent or more of all voting shares propose a resolution for action by the Shareholders to adopt, amend, or repeal By-Laws adopted, amended, or repealed by the Board and the resolution sets forth the provision or provisions proposed for adoption, amendment, or repeal, the proposed amendment shall be submitted to a vote at the next regular or special meeting of the Shareholders of which notice has not yet been given but still can be timely given. Any number of amendments may be submitted to the Shareholders and voted upon at one meeting, but the same or substantially the same amendment proposed by a Shareholder or Shareholders need not be submitted to the Shareholders or be voted upon at more than one meeting during a 15 month period. The proposed amendment is adopted when approved by the affirmative vote of the holders of a majority of the voting power of the shares present.

ARTICLE XII - GENDER

All pronouns used in these By-Laws shall, regardless of the gender used, refer to both the masculine and feminine.

Oct. 26, 1988

Crystal City Council

We are applying for a
provisional liquor license
for the purpose of a holiday
work party at Becker Park
Community room on Sat., Dec. 3, 1988
7³⁰pm to 12³⁰am.

There will be approximately
fifty people present. We would
individually bring what beverage
or liquor we wanted to drink.

Thank-you

V. West Staff

North Memorial Medical Center

Laboria Hamborg

5512 Louisiana No.

Crystal, MN 55428

#533-5780

LeFevere
Lefler
Kennedy
O'Brien &
Drawz

a Professional
Association

2000 First Bank Place West
Minneapolis
Minnesota 55402

Telephone (612) 333-0543
Telecopier (612) 333-0540

J. Dennis O'Brien
John E. Drawz
David J. Kennedy
Joseph E. Hamilton
John B. Dean
Glenn E. Purdue
Richard J. Schieffer
Charles L. LeFevere
James J. Thomson, Jr.
Thomas R. Galt
Steven B. Schmidt
John G. Kressel
James M. Strommen
Ronald H. Batty
William P. Jordan
William R. Skallerud
Corrine A. Heine
David D. Beaudoin
Steven M. Tallen
Mary Frances Skala
Leslie M. Altman
Timothy J. Pawlenty
Rolf A. Sponheim
Julie A. Bergh
Darcy L. Hitesman
David C. Roland
Karen A. Chamerlik
Paul D. Baertschi
Arden Fritz

Clayton L. LeFevere, Retired
Herbert P. Lefler, Retired

November 10, 1988

Mr. Jerry Dular
City Manager
City of Crystal
4141 Douglas Drive North
Crystal, Minnesota 55422

Re: Liquor and Beer in Parks

Dear Jerry:

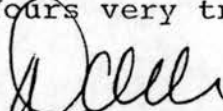
Enclosed you will find a draft ordinance for 1st reading dealing with the subject of liquor and beer in the parks for special occasions. I am embarrassed to say that I overlooked the prohibitions in the present code about liquor and beer in parks when the City Council granted permission in a couple of instances recently.

I think the ordinance is self-explanatory, and I think sets up adequate provisions and standards for the granting of such a permit. I assume that no fee will be imposed. The ordinance contemplates, too, that you will prepare some rules and regulations governing these types of events covering such matters as clean-up, care of park facilities, and the limitation of persons attending the event to those specifically invited.

Section 2 of the ordinance merely adopts state law on the issuance of temporary on-sale liquor licenses for certain non-profit corporations. I have not inserted a fee for that license, but I would think that something in the neighborhood of \$50 - \$100 would be reasonable.

The repealed sections are those in the present code which prohibit liquor and beer in parks altogether.

Yours very truly,


David J. Kennedy

DJK:caw

ORDINANCE NO. 88-_____

AN ORDINANCE RELATING TO LIQUOR AND
BEER IN PUBLIC PARKS IN THE CITY: AMENDING
CRYSTAL CITY CODE, SECTION 815;
REPEALING CRYSTAL CITY CODE, SUBSECTIONS
815.05, SUBDIVISION 7 AND 2015.15

THE CITY OF CRYSTAL DOES ORDAIN:

Section 1. Crystal City Code, Section 815 is amended by adding a subsection to read:

815.13. Liquor and Beer in Parks. Subdivision 1. General Rule. Except as otherwise permitted by this subsection, the use, consumption, display, and presence of intoxicating liquor (liquor) and non-intoxicating liquor (beer) as those terms are defined in Chapter XII of this Code, is prohibited in parks and related facilities including vehicle parking facilities immediately adjoining a park.

Subd. 2. Special Permits. The Council may on the recommendation of the City Manager issue a special permit for the use, consumption, and display of liquor and beer in a park or a related facility in the park.

Subd. 3. Eligible Persons. A special permit may be issued to persons in connection with a social event conducted by a family, an employee group, a club, or a charitable, religious or other non-profit organization solely for the enjoyment of the persons invited to the event by the applicant for the permit. A special permit will not be issued to a person holding a license to sell liquor or beer except as provided in Subsection 1200.39 of this Code.

Subd. 4. Duration. The special permit allows the presence of liquor and beer in the park or related facility only during the time specified in the permit which time may not exceed consecutive hours in one calendar day.

Subd. 5. Rules and Regulations. The City Manager is directed to prepare further regulations for the conduct in parks of a person issued a special permit under this subsection.

Subd. 6. Application. The application for a special permit is prepared by the City Clerk. The application must specify the purpose of the social event, the nature of the activity proposed, the hours during which it is to be conducted, the maximum number of persons expected to attend, and such other information as the Clerk reasonably requests. The application must be accompanied by a bond or other undertaking in form and substance satisfactory to the City Manager and City attorney, holding the City and its officers, employees, and agents from liability of any kind arising out of the permitted activity. If the applicant is a business partnership, club, corporation or non-profit association

the application must be accompanied by a certificate of insurance showing current liability insurance naming the City as an additional insured party under the insurance policy.

Subd. 7. Fee. There is no fee for a special permit issued under this subsection.

Subd. 8. Special Condition. The use, consumption, display and presence of liquor and beer in parks and related park facilities is a matter of special concern to the City as such activity relates to the peace and good order of the City. For that reason the issuance of a special permit under this subsection is determined to be a matter within the sole discretion of the City Council, and its determination to issue or not to issue a special permit is final. The Council may impose additional conditions in the granting of a special permit. The application for the special permit must be accompanied by (i) a copy of this subsection, (ii) an acknowledgement by the applicant that the subsection has been read and is understood by the applicant, and (iii) that applicant agrees not to challenge or in any way contest the determination of the City Council with regard to the issuance of the special permit.

Sec. 2. Crystal City Code, Section 1200, is amended by adding a Subsection to read:

1200.39. Temporary on-sale Licenses. The City Council may issue temporary on-sale licenses for the on-sale of intoxicating liquor to clubs, or charitable, religious or other non-profit organizations in the manner and subject to the conditions specified in Minnesota Statutes, Section 340A.404, Subdivision 10. The fee for a temporary on-sale license is set by Chapter X and may be waived by the Council.

Sec. 3. The fee for a temporary on-sale license issued under Subsection 1200.39 is \$_____ per day.

Sec. 4. The actions of the City Council and the officers and employees of the City in permitting the use, consumption, display and presence of liquor and beer in parks and related park facilities prior to the effective date of this ordinance are ratified and confirmed in all respects.

Sec. 5. Crystal City Code, Subsections 815.05, Subd. 7, and 2005.15 are repealed.

Sec. 6. This ordinance is effective in accordance with Subsection 110.11 of the Crystal City Code.

Mayor

Attest:

City Clerk

A:00110D08.F16

November 14, 1988

TO: Jerry Dulgar, City Manager
FROM: Jim Kelly, Administrative Assistant
RE: Liquor Consumption in Park Buildings of Nearby
Municipalities/Facility Rental Fees

The following information was obtained from a telephone survey conducted between November 8, 1988 and November 10, 1988. The purpose of the survey was to gather information concerning the regulations and procedures relating to the consumption of liquor or intoxicating beverages on municipal property.

Brooklyn Park

The City of Brooklyn Park does allow the consumption of liquor in the Community Room of their Community Center only. This is permitted for weddings and banquets. Brooklyn Park does not allow the sale of liquor; it must be either an "open bar" or "bring your own". The city recommends that groups have insurance, but it does not require insurance.

No liquor is allowed in park buildings. These buildings are available only for business meetings. Food is also not permitted. 3.2 beer is permitted in the parks for picnics.

Fees

- \$100 rental for Community Room to non-profit groups.
- \$300 rental for Community Room to local business men.
- \$400 rental for Community Room to Brooklyn Park resident for wedding, etc.
- \$450 rental for Community Room to non-resident for a private party.

New Hope

In the City of New Hope no alcohol is allowed in the Community Room. It is also not permitted in the ice arena.

3.2 beer and wine coolers are permitted at the golf course. Also, hard liquor as well as wine and beer is permitted in the parks; no permit is required. There is, however, an ordinance against drunk and disorderly conduct.

For park buildings, there is an ordinance against glass containers. Beverages must be in a can, plastic container, or a keg.

No sale of liquor or beer is permitted; it must be "open bar".

Fees

- \$10 per hour rental fee for Community Room to a resident. It does not matter how large the party is.
- \$13 per hour rental fee if the renter is a non-resident.

A reservation card must be filled out prior to obtaining the key to the room. When the renter picks up the key, they must put down \$25 key deposit/clean up deposit.

Plymouth

The City of Plymouth does not allow the consumption of alcoholic beverages on its property. There is only one facility to accommodate groups; it is brand new. Nevertheless, no liquor consumption is permitted even for wedding receptions.

Fees

- \$15 per hour rental of the "lake partition" to non-profit groups. There is a minimum rental period of two hours.
- \$25 per hour if the group is a private or profit group. Minimum two hours rental.
- There is a \$200 damage deposit.

The facility cannot be used to sell anything; this includes non-profit groups.

Minnetonka

The City of Minnetonka does allow alcoholic beverages to be consumed in the City Community Center, however, a permit is required. They allow 3.2 beer, wine, and champagne. When it is being served, they hire security at \$35 per hour. The city also requires that a "hold harmless" agreement must be signed. In addition, groups must provide proof of insurance if asked. No hard liquor is allowed. Kegged beer permit must be obtained for kegs to be utilized in parks.

Fees

- Rental of Community Center is \$100 without alcohol.
- On a weekday charge is \$175 for non-resident.
- Saturday before 4 p.m. is \$200 for non-resident.
- Sunday charge is \$250 for non-resident.
- Weekend evening is \$375 for non-resident.
- Deduct \$75 from charge if renter is a resident.
- \$35 is charged per hour for security; requirement is a minimum of three hours.

Robbinsdale

No alcohol is allowed in City Hall or any public building. 3.2 beer is allowed in Robbinsdale parks as long as a permit has been approved

by Park & Recreation Director. Rental is usually made to civic groups and non-profit groups. No wine or hard liquor is permitted.

There is a \$25 refundable fee.

Maple Grove

The City of Maple Grove has an independent park board. There is an ordinance against alcohol in the parks, however, interested groups can petition the park board for a dispensation: No hard liquor is permitted. Only 3.2 beer is allowed.

Fees

- for non-residents: \$50 kitchen rental, \$50 deposit
- for non-residents: \$25 meeting room rental, \$25 deposit
- there is a five dollar key deposit which is refundable
- for residents, there is no rental charge; only room and key deposit.

Eden Prairie

The City of Eden Prairie allows only beer and wine in their parks. Kegs of beer are allowed only by permit. No proof of insurance is necessary. Interested groups must sign a "hold harmless" agreement which is in the permit, but this is a requirement basically for keg beer. No hard liquor is permitted; not even for a wedding.

Fees

"Family units" are charged \$25 rental and \$25 damage deposit.

Non-profit groups like the "Boy Scouts" can use the building without any fee.

Brooklyn Center

The City of Brooklyn Center is licensed to sell 3.2 beer at the golf course. Non-profit groups that wish to be licensed to sell 3.2 beer must have proof of insurance. They must make application to the city and the resolution must be passed by the City Council.

No liquor is permitted for weddings or any private group meeting taking place at the Civic Center.

Fees: No rent of facilities is charged to organized groups from Brooklyn Center as long as they have been in existence for more than a year. They must simply apply to the Parks & Recreation Department for a beer permit.

The following is a list of rates charged by private groups for the use of their facilities.

VFW

- \$150 - for hall rental and bartender for groups of 185-200 people approximately.
- \$100 - for hall rental and bartender for groups of 50-100 people.
- \$ 50 - for hall rental for groups of between 50-100 people.

Elks Club

- \$120 - for "non-member" gathering of 150 people.
- \$ 8 an hour is the charge to provide a bartender/staff member to be present.

Knights of Columbus

The Knights of Columbus have three different rooms to rent.

Smaller Room -- 130 people.

Monday-Thursday	-	\$ 50 rent
Friday night	-	\$100 rent
Saturday	-	\$150 rent
Sunday	-	\$100 rent

Middle Sized Room -- 250 people

Monday-Thursday	-	\$125 rent
Friday night	-	\$200 rent
Saturday	-	\$300 rent
Sunday	-	\$150 rent

Large Room -- 250+ people

Monday-Thursday	-	\$150 rent
Friday night	-	\$300 rent
Saturday	-	\$400 rent
Sunday	-	\$200 rent

A large, stylized handwritten signature in dark ink, appearing to read "James E. Kelly". The signature is written in a cursive style with a large loop at the end.

TO: Jerry Dulgar, City Manager
FROM: Bill Monk, City Engineer
DATE: November 7, 1988
RE: Sanitary Sewer Discount Program

The revision to the qualifications section has been made as directed by the Council at its last meeting. With approval of the attached resolution, Crystal will be able to include renters in its sewer discount program.



WM:jrs

Encl

RESOLUTION 88-

RESOLUTION RELATING TO SEWER USE RATES FOR
CERTAIN DISABLED AND SENIOR PERSONS

WHEREAS, with the approval of Ordinance No. 80-6 Crystal established authorization to adjust sewer use rates for senior citizens and disabled persons, and

WHEREAS, it is deemed appropriate to adjust eligibility as last established in Resolution No. 80-45, to include senior and disabled renters.

NOW, THEREFORE, BE IT RESOLVED that the Crystal City Council hereby restates its senior and disabled persons sewer discount program as follows:

1. Definitions. For purposes of this resolution a senior citizen is any resident of Crystal who has attained the age of sixty-five years, and a disabled person is a resident receiving a monthly disability benefit from the U.S. Social Security System.
2. Established Rate. The sewer use rate for a qualified senior citizen and/or disabled person is the user classification established in Section 710.03, Subdivision 2 of City Code; and the user charge is \$14.00 per quarter.
3. Qualification. Any senior citizen and/or disabled person who lives in the City of Crystal and presents proof of age/disability and residence satisfactory to the Utility Clerk shall be billed for sewer use at the rate established in Paragraph 2 above. Eligible individuals must be the owner of the property in which he/she resides or the principal renter as noted on the Certificate of Rent Paid. Such rates shall apply to all billings as of the date of receipt of age/disability and residence by the City.
4. Procedure. Any senior citizen or disabled person who lives in a residence and is directly billed for sewer service shall be billed at the user rate established in Paragraph 2. Qualified individuals in a rental situation who are not billed directly for sewer service shall be reimbursed the sewer discount as an annual lump sum following submission of an owner/resident verification form established by the City.
5. Rate Continued. The special sewer rate established in Paragraph 2 shall continue in effect for all qualified

senior citizens and disabled persons until modified by subsequent resolution of the City Council.

6. Effective Date. The special sewer rate established in this resolution for qualified senior citizens and disabled persons is effective as of January 1, 1989.
7. Rescinded. Resolution 87-74 is hereby rescinded.

By roll call and voting aye:

Adopted this 1st day of November, 1988.

Mayor

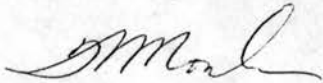
ATTEST:

City Clerk

TO: Jerry Dulgar, City Manager
FROM: Bill Monk, City Engineer
DATE: November 8, 1988
RE: Medicine Lake Road State Aid Designation

Crystal approved a resolution in May whereby the City agreed to delete Medicine Lake Road from its Municipal State Aid System; so Hennepin County could designate the roadway as a County State Aid Highway. The County is now requesting Crystal finalize the redesignation process by approving the attached resolution.

It is important to note that Crystal will still be able to apply State Aid Funds (off system) towards the Medicine Lake Road project regardless of the County/Municipal designation. I will be prepared to explain this item in further detail at Tuesday's meeting.



WM:jrs

Encls

RESOLUTION NO. 88-

RESOLUTION DELETING MSAS SECTION 317-010,
MEDICINE LAKE ROAD, FROM
CRYSTAL'S MUNICIPAL STATE AID SYSTEM

WHEREAS, Hennepin County is committed to designating Medicine Lake Road between TH 169 and CR 102 a County State Aid Highway to facilitate major improvements, and

WHEREAS, a street cannot simultaneously carry a separate Municipal and County State Aid designation.

NOW, THEREFORE, BE IT RESOLVED that the City of Crystal hereby deletes Section 317-010, Medicine Lake Road, from its Municipal State Aid System.

Adopted this 15th day of November, 1988.

Mayor

Attest:


City Clerk

RESOLUTION NO. 88-24

RESOLUTION OF CONCURRENCE REGARDING REDESIGNATION
OF COUNTY ROAD 70 AS A COUNTY STATE AID HIGHWAY

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Crystal that Crystal concurs with Hennepin County's proposal to redesignate existing County Road 70 as County State Aid Highway 70 beginning at the intersection of County Road 70 (Medicine Lake Road) and County State Aid Highway 18, at or near the northwest corner of Section 30 Township 118, Range 21, thence east along Medicine Lake Road along or near the north line of Sections 30 and 29 Township 118, Range 21, to the intersection with County State Aid Highway 102 (Douglas Drive) at or near the northeast corner of said Section 29, and there terminate the designation all within the Cities of Golden Valley, New Hope and Crystal. Further, Crystal acknowledges its responsibility to remove the State-Aid designation on Medicine Lake Road (MSAS 317-010) between Louisiana Avenue (MSA Section 320) and Douglas Drive (MSA Section 514) as the CSAH designation described above is finalized.

Approved this 17th day of May, 1988.



Mayor

Attest:



Clerk

TO: Jerry Dulgar, City Manager
FROM: Bill Monk, City Engineer
DATE: November 7, 1988
RE: Site Improvements at 5337 Lakeland Avenue North -
Standard Water Control Systems

Site improvements required as a building permit condition and noted in the attached agreement, for the property at 5337 Lakeland Avenue North have been completed. It is recommended the improvements be accepted and the remaining \$5,350 surety be released.


WM:jrs

Encls



Site Location

Location Map

North

*Scale:
1" = 500'*

EXHIBIT "A"

A G R E E M E N T

THIS AGREEMENT made by and between the City of Crystal, a municipal corporation in the State of Minnesota, hereinafter called the City, the first party, and Standard Water Control Systems, hereinafter called the second party,

WHEREAS, second party has requested that the City Council approves the issuance of a building permit.

WHEREAS, as a prerequisite to the approval of said permit, the City Council requires the construction of certain improvements for the orderly development of property known as Standard Water Control, 5337 Lakeland Avenue North.

NOW THEREFORE, in consideration of the granting of said permit, said second party agrees and covenants as follows:

- Construct 2 concrete driveway aprons across boulevard.
- Construct 2 curb openings at driveway and repair street adjacent.
- Construct V6 (minimum section) cast-in-place concrete barrier curb.
- Construct parking area, access aisles and drives with a minimum of 6" Class 5 base and 2" bituminous surface.
- Stripe parking stalls with white paint.
- Erect 1 handicap parking stall sign.
- Erect stop signs at exits from parking area.
- Designate and sign fire lanes.
- Note how area lighting if proposed will conform to Section 515.07, Subd. 10, of the Crystal City Code.
- Landscape all open and disturbed areas.

That the second party warrants and guarantees all work done under the agreement against any defect in workmanship, materials, or otherwise that may occur within one year from the date of final acceptance by the City of all said work and other requirements.

That construction work be completed prior to issuance of the occupancy permit but not later than one year from issuance of building permit.

To hold the City harmless from any and all claims which may arise from third parties for any loss or damage sustained resulting from pursuance of the above-described work.

That all just claims incurred in the completion of aforementioned work requirements shall be paid in full by said second party to all persons doing work or furnishing skill, tools, machinery, services, materials, equipment, supplies or insurance.

All work pursuant hereto shall be in compliance with existing laws, ordinances, pertinent regulations, standards, specifications of the City of Crystal, and subject to approval of the City Engineer.

In the event that said second party has not completed any or all of the aforementioned work and requirements on the completion date as set forth herein, then in that event said second party shall be considered in default. Should said second party be in default, then said second party authorizes said City, its officers, its employees or its authorized agents to enter upon said second party's property and to complete any or all such uncompleted or improperly performed work or other requirements in conformity with this agreement.

That surety be deposited with the City in the amount of \$21,400 to insure the faithful performance of the above construction work and requirements, said surety to be in the form and manner as prescribed by law.

IN WITNESS WHEREOF we have hereunto set our hands this 8 day of Oct 1987.

SEAL

ATTEST:

Darlene George
CITY CLERK

CITY OF CRYSTAL

[Signature]
MAYOR
[Signature]
CITY MANAGER

IN THE PRESENCE OF:

[Signature]
SECOND PARTY
[Signature]
SECOND PARTY

LeFevere
Lefler
Kennedy
O'Brien &
Drawz

a Professional
Association

2000 First Bank Place West
Minneapolis
Minnesota 55402

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John B. Dean
Glenn E. Purdue
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James J. Thomson, Jr.
Thomas R. Galt
Steven B. Schmidt
John G. Kressel
James M. Strommen
Ronald H. Batty
William P. Jordan
William R. Skallerud
Corrine A. Heine
David D. Beaudoin
Steven M. Tallen
Mary Frances Skala
Leslie M. Altman
Timothy J. Pawlenty
Rolf A. Sponheim
Julie A. Bergh
Darcy L. Hitesman
David C. Roland
Karen A. Chamerlik
Paul D. Baertschi
Arden Fritz

Clayton L. LeFevere, Retired
Herbert P. Lefler, Retired

October 31, 1988

Mr. Jerry Dular
City Manager
City of Crystal
4141 Douglas Drive North
Crystal, Minnesota 55422

Re: Charitable Gambling

Dear Jerry:

Enclosed is a copy of the Attorney General's opinion about charitable gambling that I mentioned in my letter the other day.

The thrust of the opinion is that the statute does not authorize the City to direct the distribution of charitable gambling proceeds remitted to the City by licensees under our ordinance. I think the opinion is correct in its view of the statute in that as long as the proceeds go to authorized public purposes under the statute that their actual use is a matter for determination by the licensee. As you recall, there was some discussion in the Council about setting up a mechanism for distribution of those funds. The Cloquet scheme discussed in the opinion contemplated a non-profit corporation to parcel out the funds, and the opinion finds that unauthorized. You may recall, too, that the City of St. Paul adopted such a program, but the opinion casts considerable doubt on it, and I understand from the Attorney General's office that the St. Paul program is being challenged in the courts.

In view of all this, I think it best that the City continue its program on charitable gambling donations as presently constituted. You will note, too, that the 3% tax which the City imposes must be used only for administration and regulation of the licensed activities.

Yours very truly,


David J. Kennedy

DJK:caw

LOCAL GOVERNMENTS: NONPROFIT CORPORATIONS: GAMBLING: Local units of government may not establish nonprofit corporations to carry out general governmental functions. Local governments are limited in their authority to license or refuse licensure of nonprofit organizations wishing to conduct lawful gambling within the local government's jurisdiction.

July 29, 1988

Harry L. Newby, Jr.
City Attorney
City of Cloquet
1219 - 14th Street
Cloquet, MN 55720-3139

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Dear Mr. Newby:

In your letter to Attorney General Hubert H. Humphrey, III, you ask substantially the following questions:

QUESTION ONE

Under Minn. Stat. § 349.213, subd. 1, can the City of Cloquet form a nonprofit corporation, the directors of which are residents of the City of Cloquet appointed by the City Council, the income of which is obtained as a result of the ordinance requiring organizations licensed to conduct gambling under Chapter 349 to contribute ten percent of net profits to the corporation, to be used to fund youth and adult recreation activities or to build public structures for that purpose?

OPINION

We answer your question in the negative. Cities, like other local units of government, are creatures of laws establishing those local units for specified purposes. Therefore, the acts of local units of government must be authorized by law as found either in the state constitution or in state statutes. State ex. rel. Village of Fridley v. City of Columbia Heights, 237 Minn. 124, 53 N.W.2d 831 (1952).

It is well established that a municipality has such powers only as are expressly conferred upon it by statute or as

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may be necessarily implied from those powers expressly conferred. It has no inherent powers.

Id. at 53 N.W.2d at 835. See, generally, 13 A Dunnell Minn. Dig. 2d Municipal Corporations § 3.01 (3rd Ed. 1981).

We are aware of no express grant of authority for the City of Cloquet to form a nonprofit corporation for the purpose of funding and administering adult and youth recreational programs and facilities. The question then seems to turn on whether the authority to form a nonprofit corporation for the purpose stated in your question is necessarily implied or incident to powers expressly granted.

We have found no Minnesota case which has examined the notion of implied power in a factual context of the kind contemplated here. The question of the power of local units of government to form nonprofit corporations for the purpose of carrying out general governmental or other functions was addressed by this office on at least one prior occasion. In Op. Atty. Gen. 92a-30, January 29, 1986, it was noted that there appears to be no express statutory authority for local units of government to form nonprofit corporations for the purpose of carrying out general governmental functions, nor could such authority be properly implied from existing grants of power to such units. The one possible exception noted dealt with the power of certain local units of government to establish hospital authorities pursuant to Minnesota Statutes section 144.581. An

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examination of current state law yields no reason to contradict that prior opinion.

Minn. Stat. § 349.123 (Supp. 1987) provides that a statutory or home rule charter city or a county may not require an organization conducting lawful gambling within its jurisdiction to make an expenditure to the city or county as a condition to operate in that city or county, except as authorized under section 349.16, subdivision 4, or section 349.212. Inasmuch as there appears to be no express or implied authority granted to local units of government to form nonprofit corporations and given the language of section 340.213, the City of Cloquet cannot require an organization to contribute directly to the city for the purpose of funding any activity or government function. The city does, however, have the authority to identify one or more specific lawful purposes (as defined in Sec. 349.12 (Supp. 1987) and Minn. Rules Part 7860.0010, subp. 16) to which ten percent of the net profits must be directed. Minn. Stat. § 349.213, subd. 1 (Supp. 1987).

In addition, pursuant to Minnesota Statute section 349.212, subd. 5 (Supp. 1987) a city may impose a local gambling tax on each licensed organization within the city's jurisdiction not to exceed three percent of the organization's gross receipts from all lawful gambling less prizes paid out by the organization. In imposing that tax, however, the city is prohibited from using the monies collected for any purpose other

than for the regulation of lawful gambling. Furthermore, the imposition of such a tax precludes the imposition of any other taxes or fees on lawful gambling. Clearly the legislature intended that tax revenues collected by local units of government from lawful gambling were to be expended directly on the regulation of lawful gambling.

QUESTION TWO

Can the city require an organization, as a condition of conducting lawful gambling, to meet all, or any combination of the following requirements:

- (a) The organization have at least fifteen (15) members that are residents of the City of Cloquet.
- (b) At least fifty percent (50%) of all members of the organization be residents of the City of Cloquet.
- (c) The physical site for the organization's headquarters or the registered business office of the organization located within the city and have been located within the city for at least two (2) years immediately preceding application for a license.
- (d) The organization own real property within the city and the lawful gambling be conducted on the property owned by the organization within the city.
- (e) The physical site where the organization regularly holds its meetings and conducts its activities, other than lawful gambling and fund-raising, be within the City of Cloquet and have been located within the City of Cloquet for at least two (2) years immediately preceding application for a license.

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OPINION

We answer your question in the negative, with qualifications. Minn. Stat. § 349.213, subd. 1 (Supp. 1987) states:

A statutory or home rule city or county has the authority to adopt more stringent regulation of any form of lawful gambling within its jurisdiction, including the prohibition of any form of lawful gambling,
.

(Emphasis added.)

Nothing in the statute speaks to the authority of a local unit of government to regulate the composition, local control or residency of the organization seeking approval to conduct gambling within the jurisdiction of the local unit of government. Form of gambling contemplates the various games themselves and the manner in which those games are conducted. The term also arguably contemplates authority to regulate the site of the gambling activity. Therefore, the local unit of government can determine what kind of lawful gambling (if any) can take place in its jurisdiction; it can specify the hours during which lawful gambling can be conducted within the jurisdiction; it can indicate where in the jurisdiction gambling can and cannot be conducted; it can limit the number of sites within the jurisdiction where gambling will be allowed; and it can prohibit gambling altogether.

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The statute does not expressly authorize a local unit of government to determine the membership of an organization, or to decree that any organization seeking to conduct gambling in the jurisdiction must expend what may be precious resources to own property in that jurisdiction, or to prescribe where the organization's meetings must be held.

Other than those organizations exempt from licensing under Section 349.214, the licensing of organizations to conduct lawful gambling is done by the Charitable Gambling Control Board. The state has preempted the licensing function by prohibiting local units of government from requiring licenses or permits to conduct lawful gambling by those organizations already licensed by the Board. Minn. Stat. § 349.213, subd. 1 (Supp. 1987).

The question then arises whether there is implied from the statute the authority to limit gambling within the jurisdiction of a local government only to those organizations that meet specific criteria set by the local unit of government -- in this instance, organizations which are essentially local organizations.

Minn. Stat. § 349.213, subd. 2 (1986), states that the Charitable Gambling Control Board may not issue a license to an organization if the local unit of government has adopted a resolution disapproving the license and so informs the board within 30 days of receiving notice of the license [application] (60 days as of 8/1/88). The statute offers no guidance with

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respect to reasons a local unit of government may disapprove an organization's application. Impliedly, the local unit of government can develop certain criteria upon which to base the governing body's decisions to approve or reject applications by organizations wishing to conduct lawful gambling in the jurisdiction. Failure to do so could result in claims that actions by the governing body are arbitrary and capricious.

The City of Cloquet, though lacking the authority to license organizations to conduct lawful gambling pursuant to Chapter 349, has been given the authority to deny an application under Section 349.213, subd. 2. Again, it is well-settled that a local unit of government may not act arbitrarily in denying an application for a license. See, e.g., State ex rel. Ratner v. City of Minneapolis, 164 Minn. 49, 204 N.W. 632 (1925). Given what is contemplated by the City of Cloquet, namely, limiting lawful gambling to local organizations, possible violation of the equal protection clause of the state and/or federal constitution must be considered by the city. See, e.g., Const. & Gen. Lab. Union Local 563 v. City of St. Paul, 270 Minn. 427, 134 N.W.2d 266 (1965); Berg v. City of Minneapolis, 274 Minn. 277, 143 N.W.2d 200 (1966).

Resolution of the reasonableness of such restrictions as related to the asserted local purposes, however, calls for factual and policy determinations that are generally beyond the scope of our opinions. Thus we are not in a position to

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authoritatively state whether conditions of the sort you propose
would be found reasonable in the circumstances.

Respectfully submitted,

HUBERT H. HUMPHREY, III
Attorney General
State of Minnesota

PEGGY L. BUNCH
Special Assistant
Attorney General

200 Ford Building
117 University Avenue
St. Paul, MN 55155
(612) 297-4606

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A licensee seeking an extension of time shall do so by petition to the department of licenses and consumer services. When a petition has been filed, a hearing shall be scheduled before the standing committee of the city council responsible for licenses. No extension of time shall be granted unless the licensee shows that plans actually exist for the development of the property in the immediate future and that there are particular hardships and practical difficulties in the way of carrying out paving and landscaping without delay.

When an extension of time is granted, it shall be in writing and shall specify the date upon which paving and landscaping improvements must be completed. No extension of time shall be granted for a period longer than twelve (12) months. (82-Or-162, § 2, 8-13-82; 84-Or-148, § 1, 8-10-84)

CHAPTER 321. SECONDHAND DEALERS*

ARTICLE I. GENERALLY

321.10. Definitions. When used in this article, the following words shall mean:

Pawnbroker. A person who loans money on deposit or pledge of personal property, or other valuable thing, or who deals in the

*Editor's note—81-Or-152, § 1, adopted June 12, 1981, repealed Ch. 321; concerning pawnbrokers, secondhand and junk dealers, consisting of Art. I, Generally, §§ 321.10—321.240, and Art. II, Dealers in Secondhand School and Library Books, §§ 321.270—321.290. 81-Or-153, also enacted June 12, 1981, set out a new Ch. 321. Former Ch. 321 derived from Code 1960, as amended, §§ 334.010, 334.020, 334.025, 334.030, 334.031, 334.040, 334.042, 334.050—334.210, 935.020 and 935.030, plus the following ordinances:

Date	Section	Ord. No.	Section	Date
9-28-73	1, 3	76-Or-092	1	6-25-76
4-26-74	1—4	77-Or-147	1	7-15-77
10-11-74	1	80-Or-108	1	5- 9-80
10-31-75	1	81-Or-004	1	1-16-81

Charter reference—Authority to license and regulate pawnbrokers, secondhand dealers and junk dealers, Ch. 4, § 5(1).

State law references—Misconduct of pawnbrokers, M.S. § 609.81; misconduct of junk or secondhand dealers, § 609.815.

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purchasing of personal property or other valuable thing on condition of selling the same back again at a stipulated price, or who loans money secured by chattel mortgage on personal property, taking possession of the property or any part thereof so mortgaged.

Receive. To purchase, accept for sale on consignment or take in pawn any secondhand goods.

Secondhand goods dealer. Any person, partnership, firm or corporation whose regular business includes selling or receiving any tangible personal properties, excluding motor vehicles, previously used, rented or leased. The term secondhand goods dealer shall include pawnbrokers. (81-Or-153, § 1, 6-12-81)

321.20. Exemptions. This article shall not apply to or include the following:

- (1) The sale of secondhand goods where all of the following are present.
 - (a) The sale is held on property occupied as a dwelling by the seller or owned, rented or leased by a charitable or political organization;
 - (b) The items offered for sale are owned by the occupant;
 - (c) That no sale exceeds a period of seventy-two (72) consecutive hours;
 - (d) That no more than two (2) sales are held in any twelve-month period;
 - (e) That none of the items offered for sale shall have been purchased for resale or received on consignment for purpose of resale.
- (2) A person licensed under Chapter 348 of the Minneapolis Code of Ordinances.
- (3) The sale of secondhand books, magazines, sound or video recordings, or films.
- (4) The sale of goods at an auction held by an auctioneer licensed under Chapter 271.
- (5) The business of buying or selling only those secondhand goods taken as part or full payment for new goods and where

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such business is incident to and not the primary business of a person.

- (6) A bulk sale of property from a merchant, manufacturer or wholesaler having an established place of business or of goods sold at open sale from bankrupt stock.
- (7) Goods sold at the public market pursuant to the provisions of Chapter 202.
- (8) Goods sold at an exhibition pursuant to Minneapolis Code of Ordinances sections 321.190 to 321.250. (85-Or-153, § 1, 6-12-81; 85-Or-068, § 1, 4-12-85)

321.30. License required. No person shall engage in the business of secondhand goods dealer without a secondhand goods dealer license. A secondhand goods dealer licensed under this chapter shall also obtain a precious metal dealer's license if required to do so under Chapter 322. (81-Or-153, § 1, 6-12-81)

321.40. Multiple dealers at one location. (a) The owner of a business, at which two (2) or more secondhand goods dealers are engaged in business by maintaining separate sales space and identifying themselves to the public as individual dealers, may obtain a multiple secondhand goods dealer license for that location. No such license shall be issued unless the following requirements are met:

- (1) The business shall have a single name and address;
- (2) The business shall operate in a compact and contiguous space;
- (3) The business shall be under the unified control and supervision of one person, partnership, firm or corporation, which shall hold the license;
- (4) All sales shall be consummated at a central point or register operated by the owner of the business, and the owner shall maintain a comprehensive account of all sales.

(b) The holder of a secondhand goods dealer license under this section, for a business with more than one dealer at the same location, shall comply with all of the requirements of this chapter, including the responsibility for police reporting and recordkeeping.

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in the same manner as any other dealer licensed under this chapter. Any dealer licensed under this section shall be responsible to its customers for any stolen or misrepresented goods sold at its place of business, in the same manner as any other dealer licensed under this chapter. (81-Or-153, § 1, 6-12-81)

321.50. License fee. (a) The annual license fee for a secondhand goods dealer, not a pawnbroker, shall be one hundred five dollars (\$105.00).

(b) The annual license fee for a secondhand goods dealer under section 321.40, for a location where more than one secondhand goods dealer is engaged in business, shall be two hundred sixty dollars (\$260.00).

(c) The annual license fee for a pawnbroker shall be three hundred ten dollars (\$310.00).

(d) In addition to the fee specified above, an additional fifty-dollar fee shall be paid by an applicant:

- (1) Upon initial application for a license specified in this section, and
- (2) Upon application for the license specified in this section after failing to renew the license within one year of the expiration date of the previously held license. The fifty-dollar fee shall not be refunded whether or not the license sought is granted. (81-Or-153, § 1, 6-12-81; 83-Or-126, § 1, 5-27-83; 86-Or-041, § 1, 3-14-86)

321.60. Expiration of license. All licenses shall expire on July first. (81-Or-153, § 1, 6-12-81)

321.70. Application required. (a) [Contents.] Every licensee must complete the application form provided by the department of licenses and consumer services. The application form shall contain all information required by the department of licenses and consumer services including:

- (1) Name, place and date of birth and street residence of the applicant;

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- (2) The business address and the name and address of the owner of the premises;
- (3) A statement as to whether, within the preceding five (5) years, the applicant has been convicted of any law relating to theft, damage or trespass to property, sale of a controlled substance or the operation of a business; the nature and date of the offense and the penalty assessed;
- (4) Whether the applicant is a natural person, corporation or partnership:
 - a. If the applicant is a corporation, the state of incorporation and the names and addresses of all officers and directors;
 - b. If applicant is a partnership, the names and addresses of all partners.
- (5) The name of the manager or proprietor of the business.
 - (b) *Execution of application.* If the applicant is a natural person, the application shall be signed and sworn to by the person; if a corporation, by an agent authorized to sign; if a partnership, by a partner.
 - (c) *False statements in application.* No person shall make any material false statement in any application. In addition to other penalties, the licensee's license may be revoked by the city council for a violation of this section. (81-Or-153, § 1, 6-12-81)

321.80. Bond required. Before a license will be issued every applicant must submit a five-thousand-dollar bond on the forms provided by the department of licenses and consumer services. All bonds shall be conditioned that the principal will observe all laws in relation to dealers in secondhand goods, and will conduct business in conformity thereto, and that the principal will account for and deliver to any person legally entitled any goods which have come into the principal's hand through the principal's business as a dealer in secondhand goods, or in lieu thereof, will pay the reasonable value in money to the person. (81-Or-153, § 1, 6-12-81)

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321.90. Records required. Every secondhand goods dealer, at the time of receipt of an item which the dealer intends to resell for thirty dollars (\$30.00) or more, whether inside or outside the City of Minneapolis, shall immediately record, using the English language, in ink or other indelible medium in a book or word-processing unit, the following information:

- (1) An accurate description of the item including, but not limited to, any trademark, identification number, serial number, model number, brand name, or other identifying mark on such item;
- (2) The purchase price;
- (3) Date, time and place of receipt;
- (4) Name, address and date of birth of the person from whom the item was received;
- (5) The identification number from any of the following forms of identification of the seller:
 - (a) Valid driver's license, containing a picture;
 - (b) Picture identification;
 - (c) Medicaid.

The book as well as the goods received shall at all reasonable times be open to inspection by the police department or department of licenses and consumer services. Entries shall be retained for at least three (3) years. (81-Or-153, § 1, 6-12-81; 86-Or-270, § 1, 11-21-86)

321.100. Daily reports to police. For the following items, regardless of what price the dealer intends to resell them for, a secondhand goods dealer shall make out, on forms approved by the Minneapolis Police Department, and send daily by mail to the police department a legible description of the goods received in the City of Minneapolis during the preceding day, together with the time received and a description of the person from whom the goods were received:

- (a) Items with a serial number, identification number, or "Operation Identification" symbol;

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- (b) Cameras;
- (c) Electronic audio or video equipment;
- (d) Precious jewelry or gems, and precious metals;
- (e) Artist-signed or artist-attributed works of art;
- (f) Guns;
- (g) Any item not included in the above, except furniture and kitchen or laundry appliances, which the secondhand goods dealer intends to sell for more than two hundred dollars (\$200.00). (81-Or-153, § 1, 6-12-81; 86-Or-270, § 2, 11-21-86)

321.110. Holding period. Any item received by a secondhand goods dealer, for which a report to the police is required under section 321.100, shall not be sold or otherwise transferred for twelve (12) days after the date of such report to the police. However, an individual may redeem an item that he or she pawned seventy-two (72) hours after the item was received on deposit, excluding Sundays and legal holidays. (81-Or-153, § 1, 6-12-81)

321.120. Receipt to seller. Every secondhand goods dealer shall provide upon request a receipt to the seller or consigner of any item which shall include:

- (1) The name, address and phone number of the business;
- (2) The date;
- (3) A description of the item purchased;
- (4) The signature of the purchaser. (81-Or-153, § 1, 6-12-81)

321.130. Police order to hold property. Whenever the chief of police, or the chief's designee, notifies a dealer not to sell an item, the item shall not be sold or removed from the licensed premises until authorized to be released by the chief or the chief's designee. (81-Or-153, § 1, 6-12-81)

321.140. Prohibited acts. (a) No person under the age of eighteen (18) years shall sell or consign or attempt to sell or consign

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any goods with any secondhand goods dealer, nor shall any secondhand goods dealer receive any goods from a person under the age of eighteen (18) years.

(b) No secondhand goods dealer shall receive any goods from a person of unsound mind or an intoxicated person.

(c) No secondhand goods dealer shall receive any goods, unless the seller presents identification in the form of a driver's license, pictured identification, or medicard. (81-Or-153, § 1, 6-12-81)

321.150. Denial, suspension or revocation. Any license under this article may be denied, suspended or revoked for one or more of the following reasons:

- (1) The proposed use is in conflict with the Minneapolis Zoning Code;
- (2) The proposed use is in conflict with any health, building, building maintenance or other provisions of this Code of Ordinances or state law;
- (3) The applicant has failed to comply with one or more provisions of this article;
- (4) Fraud, misrepresentation or bribery in securing a license;
- (5) Fraud, misrepresentation or false statements made in the course of the applicant's business;
- (6) Violation within the preceding five (5) years, of any law relating to theft, damage or trespass to property, sale of a controlled substance, or operation of a business. (81-Or-153, § 1, 6-12-81)

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LICENSES AND BUSINESS REGULATIONS

321.160. Redemption period. Any person who pawns an item shall have at least four (4) months to redeem the item before it may be sold. (81-Or-153, § 1, 6-12-81)

321.170. Payment by check only. When a dealer buys or otherwise receives an item at his regular place of business, payment shall be made by check only, made payable to a named payee who is the actual intended seller. This section shall not apply to pawnbrokers. (81-Or-153, § 1, 6-12-81)

321.180. Business at only one place. A license under this chapter shall authorize the licensee to carry on its business only at the permanent place of business designated in the license except that a licensee may conduct an estate sale at the dwelling of the owner or prior owner of the goods, provided that all goods offered for sale are owned by or were obtained from the occupant of the dwelling where the sale is conducted. No license may be transferred to a different location or a different person. (81-Or-153, § 1, 6-12-81)

ARTICLE II. EXHIBITIONS

321.190. Definitions. Exhibitions [shall mean] a temporary exhibition, convention, show or exposition of secondhand goods by any person, association or corporation. No exhibition shall be held for more than five (5) calendar days. No more than twelve (12) exhibitions may be held at a single location in a license year. (81-Or-153, § 1, 6-12-81)

321.200. License required. No person, association or corporation shall hold an exhibition without an exhibition license. The license fee for an exhibition shall be one hundred five dollars (\$105.00). (81-Or-153, § 1, 6-12-81; 86-Or-041, § 1, 3-14-86)

321.210. Application required. Every licensee shall complete the application provided by the department of licenses and consumer services. The application form shall contain all information required by the department of licenses and consumer services, including:

365.07**LEGISLATIVE CODE**

that where application is made for more than one stand, such bond shall be deemed to cover all news stands for which permits are given. Each bond shall be conditioned to save the City of St. Paul harmless from any and all liability, judgments, damages or expense that may arise or grow out of the installation, maintenance, use, presence or removal of said news stand or stands. Such bond shall be in such form as may be approved by the Corporation Counsel and shall have such surety as may be satisfactory to the Commissioner of Finance of said City. Until such bond has been approved by the Corporation Counsel and the Commissioner of Finance, no permit herein provided for shall be granted by the Council.

365.07. Revocation. All permits granted hereunder may be revoked by the City Council at any time in its discretion, and all permits issued hereunder are issued subject to this provision.

(Ordinance 7633, passed August 20, 1935; Amended: Ordinance 8986, October 2, 1947; Ordinance 10030, January 30, 1953; Ordinance 10226, January 5, 1954.)

366. PAWN SHOPS

366.01. License Required. No person, firm or corporation shall exercise, carry on or be engaged in the trade or business of pawnbroker within the corporate limits of the City of St. Paul without first having obtained a license so to do in conformance with the provisions of this chapter.

366.02. Fee. The amount to be paid for license by 366.01 required shall be Two Hundred Seventy-five Dollars (\$275.00) per year.
(Amended: Ord. 13406, Sept. 30, 1966.)

366.03. Bond. Before any person, firm or corporation shall be licensed as a pawnbroker, such applicant shall file with the City Comptroller a bond in the sum of Two Thousand Dollars (\$2,000.00) with a duly licensed surety company as surety thereon, such surety bond to be approved by the Mayor, and said bond to be approved as to form and execution by the Corporation Counsel; conditioned that such licensee shall observe the ordinances of said city in relation to the business of pawnbroker and that such licensee will conduct said business in conformity therewith and will account for and deliver to any person legally entitled thereto any goods, wares or merchandise, article or thing which may have come into the possession of such licensee as pawnbroker or in lieu thereof such licensee shall pay in money to such person or persons the reasonable value thereof.

366.04. Inspection. Any person, firm or corporation licensed under the provisions of this chapter, shall, at all times during the term of said license, allow the pawnshop inspector, license inspector

LICENSES

or officers of the police force of the City of St. Paul to enter the premises where said licensee is carrying on such business, for the purpose of inspecting such premises and inspecting the goods, wares and merchandise therein for the purpose of locating goods suspected or alleged to have been stolen or otherwise improperly disposed of.

366.05. Application. Before such person, firm or corporation shall be licensed to conduct such business in said city, a copy of the application for such license shall be delivered to the Chief of Police of said city; the Chief of Police or an officer duly detailed by said Chief for such purpose shall investigate the applicant and report the result of such investigation to the license inspector together with the approval or the disapproval of such application by said Chief of Police; provided, however, that no person shall be licensed under the terms hereof who may at any time prior to the issuance of said license been duly convicted in any court of competent jurisdiction of having received stolen goods or of any infraction of the terms and provisions of this chapter or of any of the ordinances of the City of St. Paul regulating the business of pawnbroking.

366.06. Hours, Minors. No person, firm or corporation licensed under the terms hereof shall keep his office or store open for the transaction of business on any day of the week before seven o'clock in the morning, nor after ten o'clock in the evening, nor shall any person licensed under the terms hereof purchase or receive personal property of any nature on deposit or pledge from any minor.

366.07. Records. Every person, firm or corporation licensed under the terms hereof shall keep a book in which shall be legibly written in ink at the time of each loan or purchase, an accurate account or description in the English language of the goods, articles or other things deposited, left, sold or purchased or pledged or pawned, the amount of money loaned upon or pledged therefor, the time of the receipt of the same, the name, residence, and a reasonable accurate description of the person pawning, pledging, selling, leaving or depositing same, and if the article be a watch or other goods of gold or silver manufacture, the number or numbers written, stamped, impressed or engraved thereto, together with the name of the manufacturer of the same, if such name is placed in any position or in any way upon such goods or article, and such entry as above described shall be regularly numbered; and the book in this section referred to shall be known as Book No. 1, and shall be at all reasonable times open to the inspection of the Commissioner of Public Safety, the license inspector or any member of the police force of the City of St. Paul.

366.08. Receipt Book No. 1. Every person, firm or corporation licensed under the terms hereof, shall deliver to the person pawning, pledging, selling, leaving or depositing any goods, articles or things, a certificate numbered to correspond with the entry in Book No. 1, which said certificate shall contain the substance of such entry.

LEGISLATIVE CODE

366.09. Book No. 2. Each person, firm or corporation licensed under the terms hereof shall keep a book, to be called Book No. 2, wherein shall be entered an accurate and correct account of all sales of goods, articles or things sold or disposed of by him, which may have originally been deposited, left with or sold to or purchased by or pledged or pawned to him, wherein shall be marked upon properly numbered entry together with a proper reference to the original transaction as entered in Book No. 1, and the corresponding number of the entry in Book No. 1 an account of such sale, with the date thereof and the amount for which such article was originally purchased, or which was originally loaned thereon, and interest and charges, and the amount for which the same was sold, and the book in this section referred to shall be at all reasonable times open to the inspection of the Commissioner of Public Safety, the license inspector or any of the police force of the City of St. Paul.

366.10. Reports to Police. Each person, firm or corporation licensed under the terms hereof shall make out and deliver to the Chief of Police every day, before the hour of twelve noon, a legible, correct and complete copy from each of the books hereinbefore required, and a true and correct account of all personal property or other valuables received or deposited or purchased or pledged or pawned as indicated in Book No. 1, or sold or otherwise disposed of, as indicated in Book No. 2, during the preceding day, and said report and description shall be signed by the person giving it to the Chief of Police, and shall be delivered in person by the person making said report to said Chief of Police, or to an officer duly detailed by said Chief of Police for such purposes when the same is required by said Chief of Police. Provided, however, that no person shall be required to furnish such descriptions of any property purchased from manufacturers and wholesale dealers having an established place of business, or of any goods purchased at an open sale from any bankrupt stock, or from any other person doing business and having an established place of business, but any goods in this proviso referred to must be accompanied by a bill of sale or other evidence of open or legitimate purchase, and must be shown to the Commissioner of Public Safety, or any member of the police force, when demanded.

366.11. 90-day Redemption Period. Any person pledging, pawning or depositing an article for security shall have ninety (90) days from the date when the loan or pledge becomes due and payable to redeem the same before the same becomes forfeitable.

366.12. No personal property on deposit with any person, firm or corporation licensed under the terms hereof, nor property purchased by or sold to or in any other way coming into the possession and under the control of any licensee hereunder in the due course of said business shall be permitted to be redeemed from the place of business of such licensee for a period of 72 hours, nor shall such property be sold within ten days after the copy and statement re-

LICENSES

quired to be delivered to the Chief of Police, shall have been delivered as hereinbefore required.

366.13. Police Restrictions on Sale. Whenever the Chief of Police, the Commissioner of Public Safety or the license inspector of the City of St. Paul shall notify any licensee hereunder not to sell or permit to be redeemed any goods or article received on deposit or purchase by such licensee, such goods or article shall not be permitted to be redeemed, nor shall the same be sold until such time as may be determined by the Chief of Police; provided that such time shall in no case exceed the period of six months from the date of such notification.

366.14. No person, firm or corporation shall hereafter exhibit or maintain any sign usually known as a pawnbroker's sign, or in any manner advertise to loan money on deposit or pledge of personal property or other valuable thing, without first having obtained a license as provided in section one hereof, and a noncompliance with the terms of this section will be prima facie evidence of the fact that a pawnbroker's business is being prosecuted and carried on.

366.15. Report of Stolen or Lost Goods. If any goods, articles or things shall be advertised in any public newspaper of the City of St. Paul as having been lost or stolen, and such goods, articles or things shall then be, or shall thereafter come into the possession of any licensee under the terms hereof said licensee shall, upon actual notice hereof, immediately thereafter, as a supplement to said licensee's daily report for that day to the Chief of Police, give information in writing that certain goods, articles or things advertised are in said licensee's possession, and shall not thereafter dispose of the same except upon written authority so to do from the Chief of Police of the City of St. Paul.

366.16. Inspection. All goods, wares or merchandise coming into the possession of any licensee under the terms hereof shall at all times be open to the inspection and right of examination of any person claiming to have been the owner thereof, or claiming to have had any interest therein, when such person is accompanied by a police officer of the City of St. Paul; nor shall any licensee under the terms hereof hide, conceal or stow away any article in his possession from any member of the police department of the City of St. Paul.

(Ordinance 7075, passed May 1, 1929; Amended: Ordinance 8938, July 29, 1947; Ordinance 10563, July 15, 1955.)

367. WINDOW CLEANING

367.01. License Required. No person, firm or corporation shall engage in the business of window cleaning within the City of Saint Paul without first having obtained a license so to do in accordance with the terms and provisions of this chapter.

367.02. Exceptions. The provisions of this chapter shall not be deemed to include those employers who, as incident to the operation of their

INFORMATION SERVICE
League of Minnesota
183 University Ave
St. Paul, MN 55102

LEGAL NOTICE

AN ORDINANCE NO. 402
AND CONTROLLING PAWN
SHOPS AND SECOND-HAND
GOODS DEALERS WITHIN THE
CITY OF BRECKENRIDGE, MINN.
NESOTA.

THE CITY COUNCIL OF THE CITY
OF BRECKENRIDGE, MINN.
NESOTA, DOES ORDAIN:

Section 1. Definitions. For the purposes of this chapter, the following words and phrases shall have the meanings respectively given to them by this section:

"Pawnbroker" means any person engaged in the business of loaning money secured by deposit or pledge of personal property or who buys personal property on condition of selling the same or returning the same back at a stipulated price.

"Second-Hand Goods Dealer" means a person engaged in the business of buying second-hand goods of any kind, including but not limited to coins, gold, silver, jewelry, metals, guns and wrecked or dismantled motor vehicles or motor vehicles intended to be wrecked or dismantled, but not including used goods and merchandise taken as part or full payment for new goods and merchandise.

Section 2. License Required. It shall be unlawful for any person or persons to act as a pawn shop, pawnbroker, or second-hand goods dealer in the City of Breckenridge, whether personally, or by agent or employee, singly or along with some business or enterprise without first having obtained a license from the City of Breckenridge in accordance with the provisions of this ordinance. A pawnbroker, pawn shop, or second-hand goods dealer who operates more than one pawn shop within the City shall be required to have in effect a separate license for each separate location.

Section 3. Application. An applicant for a license under this ordinance shall file with the City Clerk of the City of Breckenridge a written application signed by himself, if an individual; by all partners, if a partnership; and by the president or chief officer, if a corporation or other organization upon forms provided by the City Clerk, together with a fee as hereinafter prescribed. The application shall be sworn to by each of the individuals who sign the same before a notary public or other office by law to administer oaths and shall include the following information or materials:

A. Name, residence address and telephone number of each individual owner, partner, if a partnership, by the president or chief officer, if a corporation or other organization.

B. Trade name and address of the business on behalf of which application is made and telephone number.

C. Name, residence address and telephone number of each person employed or intended to be employed in the business as of the time the application is filed.

D. The exact address or location of the place where the business is or is proposed to be carried on.

E. Such other information as the City Council of the City of Breckenridge shall find reasonably necessary to effectuate the purposes of this ordinance and to arrive at a fair determination whether the terms of this ordinance have been complied with.

Section 4. Investigation, Approval and Issuance of a License. Upon receipt of an application for a pawnbroker, pawn shop, or second-hand goods dealer license as provided for herein the Clerk shall furnish copies of the same to the City Council of the City of Breckenridge and the Chief of Police. Further, the Chief of Police shall cause an investigation to be made of the applicant's business responsibility and moral character. No license shall be issued unless the application is approved by a majority of the members of the City Council. The Chief of Police shall approve the application only if he finds that the applicant's business responsibility and moral character are satisfactory and all agents or officers of the applicant, if any, who will take part in the operation of such business are of good character and reputation and capable of operating the business in a manner consistent with the public health, safety and good morals.

Section 5. If any of the findings in the above investigation by the Chief of Police are unfavorable for the applicant, the Clerk shall, within thirty (30) days after the filing of the application, notify the applicant that his application is disapproved and that no license will be issued. Upon request, he shall furnish the applicant with a brief written statement of the grounds upon which the application is disapproved. If the findings are favorable to the applicant, the City Clerk shall, within thirty (30) days after the filing of said application, issue a pawnbroker's, pawn shop, or second-hand goods dealer's license to the applicant upon payment of the fee prescribed by this ordinance.

Section 6. License Fee. The annual fee to be paid for any license or renewal of licenses issued hereunder shall be \$25.00.

Section 7. License Non-Transferable. No license issued under this ordinance shall be transferable or assigned or used by any person or persons other than to whom it was issued. No license issued hereunder shall be used in any other location other than the one described in the application upon which the license was issued.

Section 8. Period of Licensing. Unless provided by the City Council of the City of Breckenridge, any license or renewal of license issued hereunder shall be effective as to the date of its issuance and shall expire one (1) year thereafter.

Section 9. Location of Premises. The premises where such business shall be conducted must meet the approval of the City Council and such business shall not be removed to any other location without the approval of the City Council.

Section 10. Special Conditions. The City Council may specify special conditions, provisions and regulations which must be complied with by the licensee in the operation and conduct of his business and any violation of the same shall be grounds for revocation of the license.

Section 11. Bond. Every applicant for a license under this ordinance shall accompany his application with a bond in the sum of \$2,000.00, executed by a corporation authorized to do business in this State and conditioned that in conducting such business the licensee will, in all things, observe the conditions and provisions of this chapter. Such bond shall be for the benefit of the City or any persons who shall suffer any damage through the act of such pawnbroker or second-hand goods dealer.

Section 12. Records.
A. Every person or persons engaged in the occupation of a pawnbroker or second-hand goods dealer shall make a record which shall be legibly written in ink or typewritten, in the English language, providing the following information about each article or thing pawned, pledged, or purchased: The date and time of the receipt of the same; the name, residence and

description (race, sex, height, weight, color of eyes, color of hair, date of birth and driver's license number) of the person pawning, pledging or selling the same if personally unknown to the pawnbroker or second-hand goods dealer; the amount of money loaned or paid therefor; the home and business phone of the person pawning the article; a complete description of the article being pawned or purchased; and any other information required by the Breckenridge Police Department. At the end of each business day, the pawnbroker or second-hand goods dealer shall furnish to the Breckenridge Police Department a copy of the record made on each item placed in pawn or purchased that day.
B. Every such pawnbroker or second-hand goods dealer, purchasing or receiving on deposit for a loan any article of personal property, shall give to the person selling or depositing such article of personal property, a plain written or printed ticket or receipt for the article of personal property so purchased or deposited, showing the terms of such sale or loan and showing a complete description of the article sold or deposited.

Section 13. Minors. It shall be unlawful and it shall be a violation of this ordinance for any pawnbroker or second-hand goods dealer to purchase or receive on deposit or pledge anything of value as security for a loan of money from any person, male or female, under lawful age, or from persons of unsound mind, or intoxicated persons.

Section 14. Redemption Period. Any person pledging an article shall have thirty (30) days to redeem the same before the pledge becomes forfeitable.

Section 15. Police Order to Hold Property. Whenever the Chief of Police or any member of the police force designated by the Chief of Police shall notify any such dealer or dealers not to sell any property so received on deposit or purchased by them, or permit the same to be redeemed, such property shall not be sold or permitted to be redeemed until such time as may be determined by the Chief of Police or member of the police force designated by the Chief of Police so requiring them to be held.

Section 16. Hours. From 9:00 p.m. Saturday to 7:00 a.m. Monday, no property shall be received as a pledge or purchase by any pawnbroker or second-hand goods dealer, nor on any other day before 7:00 a.m., nor on any day after 9:00 p.m., nor shall any property be sold from 9:00 p.m. Saturday to 7:00 a.m. Monday. Further, no pawnbroker or second-hand goods dealer shall be open for business of any kind on the following holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas Day.

Section 17. Penalty. Any violation of this ordinance shall be a misdemeanor. Further, upon any conviction on a violation of this ordinance, said license may be suspended for up to sixty (60) days or revoked by the Chief of Police after conviction of the violation of the ordinance.

Section 18. Effective Date. This ordinance shall be effective from and after its adoption and publication.

(s) Marvin O. Anderson
Mayor

ATTEST:
(s) M.D. Casper
City Clerk-Treasurer
First Reading April 20, 1987
Second Reading May 18, 1987
Adopted and Passed May 19, 1987
Published June 23, 1987
Legal No. 2434 - Published
Tuesday, June 23, 1987

Classification # 315
Municipality Breckenridge
Date May 87
Subject

INFORMATION SERVICE
League of Minnesota Cities
480 Cedar Street
St. Paul, Minnesota 55101

Classification No. 315
ORDINANCE NO. 77-03, Amended
The City Council of the City of lity Hermantown
Hermantown does ordain:
An Ordinance Amending Ordinance
No. 77-03 "An Ordinance Providing
for the Licensing and Regulating of
Pawnbrokers" by adding a section.
5/12/83

Section 1. NEW SECTION ADDED

Ordinance No. 77-03, "An Ordinance providing for the Licensing and Regulating of Pawnbrokers", is hereby amended by adding the following section:

Section 6a. PAYMENT OF TAXES AND OTHER CHARGES

No license shall be granted hereunder for the operation on any premises, on which real estate taxes, assessments or other financial claims of the City of Hermantown are delinquent and unpaid.

In the event the applicant is the owner, either in fee or under a contract for deed of the real estate where the licensed business is to be located and there are delinquent real estate taxes and/or assessments of record against such real estate, the City Council may nevertheless, by affirmative vote of 3 members of the Council, authorize and direct the issuance of such license, but only if the applicant shall submit a certified copy thereof or a certified copy of so much of any proceedings showing agreement under the laws of the State of Minnesota for the payment of such delinquent taxes.

In the event the applicant does not own the real estate where the licensed business is to be located and there are delinquent real estate taxes and/or assessments of record against such real estate, the City Council may nevertheless, by affirmative vote of 3 members of the Council, authorize and direct the issuance of such license, but only if the applicant shall submit evidence to the Council that the owner of said real estate and the applicant have entered into a written rental agreement or lease providing that rent paid shall first be applied to such delinquent real estate taxes.

Section 2. PURPOSE AND INTENT

The purpose of this amendment is to require that delinquent taxes and other charges against the property on which a business licensed hereunder is operated are paid. This amendment also makes the requirements for a license hereunder consistent with the requirements for liquor licenses issued by the City of Hermantown.

Section 3. EFFECTIVE DATE

This Amendment to Ordinance No. 77-03 shall be effective for all licenses issued after its adoption and publication once in the legal newspaper of the City of Hermantown.

Helmer A. Ruth
Mayor

ATTEST:

Nancy A. Sirols
City Clerk

Adopted: May 2, 1983

Published: May 12, 1983

Effective Date: May 12, 1983

INFORMATION SERVICE
League of Minnesota Cities
183 University Ave E.
St. Paul, MN 55101

Classification # 315
Municipality Thief River Falls
Date Sept 30, 1986
Subject _____

1-A OCTOBER 6, 1986
AN ORDINANCE NO. 121, 2d SERIES
AMENDING THE THIEF RIVER FALLS, MINNESOTA,
CITY CODE, CHAPTER 6, ENTITLED
"OTHER BUSINESS REGULATION AND
LICENSING," BY ADDING A SECTION
CONCERNING PAWN BROKERS.
THE CITY COUNCIL OF THIEF RIVER
FALLS ORDAINS:

Section 1. City Code Chapter 6 is hereby
amended by adding Section 6.48.

"Section 6.48 PAWN BROKERS.

Subd. 1. Definition. As used in this Sec-
tion, the term "pawn broker" means a
person who loans money on deposit or
pledge of personal property or other valu-
able thing, or who deals in the purchasing of
personal property or other valuable thing
on condition of selling the same back again
at a stipulated price, or who loans money
secured by chattel mortgage on personal
property, taking possession of the property
or any part thereof so mortgaged.

Subd. 2. License Required: It is unlawful
for any person to operate as a pawn broker
without a license therefor from the City.

Subd. 3. License Fee. The annual license
fee for a pawn broker is \$24.00.

Subd. 4. Records Required. Every person
who shall be engaged in the business of
pawn broker shall keep a book in which
shall be clearly written in ink or type-
written, in the English language, at the
time of each loan or purchase, an accurate
account or description of the goods, articles
or other thing pawned, pledged or pur-
chased, the amount of money loaned or paid

therefor, the time of the receipt of the
same, the name, residence, driver's license
No., description and such other information
as required by the Thief River Falls Police
Dept. of the person pawning, pledging or
selling the same. For each article pawned,
pledged or purchased, such person engaged
in the business of pawn broker shall record
all serial numbers and "operation identifi-
cation" numbers of each article in the book
required hereunder. Such book, as well as
the article pawned or purchased, shall at all
reasonable times be opened to the inspection
of the members of the Thief River Falls
Police Department.

Subd. 5. Reports to Police. Every pawn
broker shall make out and deliver to the
Chief of Police, Deputy Chief of Police or
their designee, every Monday before noon,
a legible and correct copy, from the book
required in Subd. 4 of all personal property
or other valuable things received or
deposited or purchased during the preced-
ing week, together with the time when
received or purchased and a description of
the person by whom left in pledge, or from
whom the same was purchased.

Subd. 6. Redemption Period. Any person
pledging an article shall have thirty (30)
days to redeem the same before the pledge
becomes forfeitable.

Subd. 7. Required Holding Period. No
personal property received on deposit by
any pawn broker shall be redeemed from
the place of business of such pawn broker
for the space of forty-eight (48) hours next
after the delivery to the Chief of Police,
Deputy Chief of Police or their designee, of
the copy and statement relating thereto as
required by Subd. 5., and no personal
property purchased by any such pawn
broker shall be sold or disposed of in any
way within the period of forty-eight (48)
hours next after the delivery to the Chief of
Police, Deputy Chief of Police or their
designee, of the copy and statement relat-
ing thereto as required in Subd. 5.

Subd. 8. Police Order to Hold Property.
Whenever the Chief of Police or any
member of the Police force designated by
the Chief of Police shall notify a pawn
broker not to sell any property so received
on deposit or purchased by them, or permit
the same to be purchased by them, or per-
mit the same to be redeemed, such
property shall not be sold or permitted to be
redeemed until such time as may be deter-
mined by the Chief of Police or member of
the Police force designated by the Chief of
Police so requiring them to be held.

Subd. 9. Dealing With Minors. No pawn
broker shall purchase or receive on deposit
or pledge anything of value as security for a
loan of money from any person under the
age of eighteen (18) years, or from persons
of unsound mind or intoxicated persons."

Section 2. City Code Chapter 1 entitled
"General Provisions and Definitions Ap-
plicable to the Entire City Code Including
Penalty for Violation" and Section 6.99
entitled "Violation a Misdemeanor" are
hereby adopted in their entirety, by refer-
ence, as though repeated verbatim herein.

Section 3. This Ordinance shall be in force
and effect from and after its passage,
approval and publication.

Passed by the City Council of Thief River
Falls, Minnesota on the 30th day of Sep-
tember, 1986.

Voting Aye: Borsheim, Murphy, Wenn-
berg, Barron, Restad, Liden, Womack, and
Mayor Carlson.

Voting No: None. 80, 315
Absent: None.

ATTEST: -s- Bob Carlson, Mayor
-s- Gerald A. Wigness 2 copies
City Clerk-Treasurer

INFORMATION SERVICE
League of Minnesota Cities
183 University Ave E.
St. Paul, MN 55101

315
80
Classification #
Municipality Willmar
Date 1/29/85
Subject _____

(January 29, 1985)

6480

Pursuant to action by the Willmar City Council at their regular meeting held January 23, 1985, a Public Hearing will be held on February 6, 1985 at 7:45 p.m., in the Council Chambers at the Municipal Utilities Commission located at 700 W. Litchfield Avenue, Willmar, MN.

ORDINANCE NO. 80
AN ORDINANCE LICENSING AND REGULATING PAWNBROKERS.

The City Council of the City of Willmar does ordain as follows:

Section 1. PAWNBROKER, DEFINED. A pawnbroker is one who makes a business of lending money upon the security of personal property pledged or deposited in his keeping, or who deals in the purchasing of personal property or other valuable thing on condition of selling the same back at a stipulated price, or who loans money secured by chattel mortgage on personal property, taking possession of the property or any part thereof so mortgaged.

Section 2. LICENSE REQUIRED. No person shall engage in or carry on the business of pawnbroker without first obtaining a license to carry on such business in compliance with the provisions of this Code.

Section 3. APPLICATION. Any person, corporation, association, or other entity, either as principal or agent, desiring to engage in or carry on the business or occupation of a pawnbroker within the corporate limits of the City of Willmar shall file an application for a license for that purpose with the City Clerk, which application shall be made in writing at least twenty (20) days before issuance thereof, wherein the applicant shall state his name, his proposed place of business, the length of time for which he desires to do business, and shall make payment of the required license fee.

Section 4. FEE AND TERM. Every person, corporation, association, or other entity requiring a license shall on or before the time for filing his application for such license, pay or cause to be paid to the City Treasurer of the City of Willmar a fee of One Hundred Fifty (\$150.00) Dollars. The license fee shall be for one year or any part thereof, and the license year shall terminate on December 31st next succeeding the date of issuance of such license.

Section 5. RECORDS.

Subd. 1. Every person or persons engaged in the occupation of a pawnbroker shall make a record which shall be legibly written in ink or typewritten, in the English language, providing the following information about each article or other thing pawned or pledged: The time of the receipt of the same; the name, residence and description (race, sex, height, weight, color of eyes, color of hair, date of birth and drivers license number) of the person pawning, pledging or selling the same, the amount of money loaned or paid therefor, the home and business phone of the person pawning the article, a complete description of the article being pawned or sold and any other information required by the Willmar Police Department. At the end of each business day, the pawnbroker shall furnish to the Willmar Police Department two (2) copies of the record made on each item placed in pawn or sold that day.

Subd. 2. Every such pawnbroker, purchasing or receiving on deposit for a loan any article of personal property, shall give to the person selling or depositing such article of personal property, a plain written or printed ticket or receipt for the article of personal property so sold or deposited, showing the terms of such sale or loan and showing a complete description of the Article sold or deposited.

Section 6. BOND. Before the license shall be issued to any person or persons as provided in this Ordinance, the licensee shall cause to be filed with the City Clerk a surety bond, to be approved by the City Attorney, as to form, in the sum of Five Thousand (\$5,000.00) Dollars, conditioned that said licensee will comply with all the provisions of this Ordinance, and that he will account for and deliver to any person legally entitled thereto any and all goods, wares and merchandise, article or thing which may come into his possession while engaged in said business or occupation of a pawnbroker.

Section 7. MINORS. It shall be unlawful and it shall be a violation of this Ordinance for any pawnbroker to purchase or receive on deposit or pledge anything of value as security for a loan of money from any person, male or female, under lawful age, or from persons of unsound mind, or intoxicated persons.

Section 8. REDEMPTION PERIOD. Any person pledging an article shall have ninety (90) days to redeem the same before the pledge becomes forfeitable.

Section 9. POLICE ORDER TO HOLD PROPERTY. Whenever the Chief of Police or any member of the police force designated by the Chief of Police, shall notify any such dealer or dealers not to sell any property so received on deposit or purchased by them, or permit the same to be redeemed, such property shall not be sold or permitted to be redeemed until such time as may be determined by the Chief of Police or member of the police force designated by the Chief of Police so requiring them to be held.

Section 10. HOURS. From 9:00 p.m. Saturday to 7:00 a.m. Monday, no property shall be received as a pledge or purchase by any pawnbroker; nor shall any property be sold during said hours by any pawnbroker, nor on any other day before 7:00 a.m., nor on any day after 9:00 p.m. Further, no pawnbroker shall be open for business of any kind on the following holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day.

Section 11. EFFECTIVE DATE. This Ordinance shall be effective from and after its adoption and second publication.

This Ordinance introduced by Councilman: Halterman.

This Ordinance introduced on: January 23, 1985.
This Ordinance published on: January 29, 1985.

November 10, 1988

TO: Jerry Dulgar, City Manager
FROM: John A. Olson, Assistant City Manager
Re: Affirmative Action Policy

Attached to this memo is a resolution establishing the Affirmative Action Policy of the City of Crystal. This was originally done in 1975, however, now the State of Minnesota Human Rights Department requires that these affirmative action policies be reviewed and updated every two years. This new policy and program must be completed and sent into the state by November 30, 1988.

The affirmative action plan is almost complete and can be presented to the City Council at the next meeting. However, I need the resolution approved so that it can be part of the total affirmative action plan package. I am requesting that the City Council approve this policy so that it may be included in the plan to be sent to the state and to be distributed to the City Council at its last meeting in November.

RESOLUTION OF AFFIRMATIVE ACTION IN EMPLOYMENT

WHEREAS, the Crystal City Council acknowledges that equal opportunity employment for all persons is a fundamental human value; and

WHEREAS, the City of Crystal does promote and encourage full realization of human rights within City employment; and

WHEREAS, the State of Minnesota declares that artificial barriers to employment, pursuant to M.S. 363.03, are unfair discriminatory practices; and

WHEREAS, under the Minnesota Human Rights Act, Section 363.073, businesses or firms which (a) have more than 20 full-time employees in Minnesota at any time during the previous 12 months, and (b) bid on a State contract for goods or services in excess of \$50,000 must have a Certificate of Compliance issued by the Commissioner of the Department of Human Rights. Certificates are issued to businesses or firms that have an Affirmative Action Plan approved by the Commissioner of the Minnesota Department of Human Rights for the employment of minorities, women and disabled persons; and

WHEREAS, the City of Crystal intends to reinforce Federal merit standard principles and concepts by assuring that all segments of society have an opportunity to enter public service on the basis of open competition and advance according to individual ability;

NOW, THEREFORE, BE IT RESOLVED that the Crystal City Council reaffirms and declares the Affirmative Action Program of Crystal, dated 1988, to the extent that such declaration is reasonable and realistic and is not in conflict with applicable laws of State or Federal authorities:

DECLARATION OF POLICY OF AFFIRMATIVE ACTION

The City of Crystal acknowledges that equal opportunity for all persons is a fundamental human value. Consequently, it is the policy of the City to provide equal opportunity in employment and personnel management for all persons; to provide access to, admission to, full utilization and benefit of training and promotional opportunities without discrimination because of race, color, creed, religion, national origin, sex, age, marital status, public assistance status, veteran status, handicap or disability; and to otherwise promote full realization of human rights within the City to the extent permitted by law. To implement this policy, the City of Crystal requires that

every person making application for, currently employed by, or applying for future vacancies in the employ of the City of Crystal will be considered on the basis of individual ability and merit, without discrimination or favor. In furtherance of this policy, the City of Crystal establishes an Affirmative Action Plan, providing for and assuring fair and equitable treatment in all phases of public employment, including selection, compensation, benefits, training opportunities, promotions, transfers, layoffs and other terms, conditions, and privileges of employment. The concept of this affirmative action policy is consistent and fundamental to the maintenance of effective equal opportunity and shall be implemented as an integral part of the City of Crystal Civil Service system.

In the interest of advancing the goal of open competition and equal opportunity in employment, the City undertakes the responsibility for communicating its affirmative action policy to those from whom it purchases products and services.

The City of Crystal has the City Manager, or his designee, to manage the Equal Employment Opportunity/Affirmative Action Program. His responsibilities will include monitoring all Equal Employment Opportunity activities and reporting the effectiveness of this Affirmative Action Program, as required by Federal, State and Local agencies. If any employee or applicant for employment believes he/she has been discriminated against, please contact the City Manager's Office, 4141 Douglas Drive, Crystal, MN 55422, or call 537-8421.

Employees and applicants are protected from coercion, intimidation, interference, or discrimination for filing a complaint or assisting in an investigation under the Minnesota Human Rights Act.

November 8, 1988

MEMO TO: Jerry Dulgar, City Manager

FROM: Julie Jones, Community Development Coordinator

RE: Application for Celebrate Minnesota 1990 Grant

I have recently been notified that the City of Crystal must become a member "Celebrate Minnesota 1990" community in order to apply for a Celebrate Minnesota 1990 Grant. Crystal must also be a member community in order to be recognized at a special celebration at the State Capitol on November 22, 1988.

Attached is a copy of the membership application form. This form requires the Mayor's signature. I will place this item on the November 15, 1988 council agenda as you requested.

I will continue to work with the Assessing and Engineering Departments to compile data for the application which is due December 16, 1988.

kg

Membership Form

(This is not a grant application)

Only official member communities will be eligible for special highway entrance signs, use of Celebrate Minnesota 1990 logos and listings in Celebrate Minnesota 1990 publications.

To become a member, please provide the following information:

Name of Community City of Crystal

Description of community improvement project or activity. (Provide as much detail as possible; please use extra sheets. However, your project does not need to be in final form. Your goal is what is important.)

Remove a dilapidated bldg. at a downtown corner and redevelop site into a green area.

Name and type of celebration planned for 1990, if different from above:

Crystal Frolics

Name of organization that will supervise project. (The project can be undertaken by a service club, school or other organization, but it must have the endorsement of your mayor or city council.)

Crystal Housing & Redevelopment Authority

Approved by mayor or president of city council:

Signature

Mayor

Date

Title

Person who should receive mailings from Celebrate Minnesota 1990. (Include address and zip code.)

Julie Jones, Community Dev't Coord.

4141 Douglas Drive North

Crystal, MN 55422

Mail to: **Celebrate Minnesota 1990**

900 American Center Building

150 East Kellogg Boulevard

St. Paul, Minnesota 55101

(Charter member communities need not reapply)

PART I

GRANT PROGRAM DESCRIPTION

The Celebrate Minnesota 1990 grant program is a competitive grant program designed to provide financial assistance to communities to help prepare for the statewide celebration to be held in 1990. The Minnesota legislature appropriated \$700,000 for this program to be administered by the Minnesota Department of Trade and Economic Development (DTED) for undertaking cleanup, beautification and/or community improvement projects associated with locally sponsored celebrations planned as part of Celebrate Minnesota 1990.

This manual describes the grant program and application requirements, and provides examples of documents required. Part One is the general grant program description. Part Two contains the application form and the instructions to complete the form. Part Three contains the appendices that provide examples of resolutions, letters of support and other information necessary to document the application requirements. Completed applications must be submitted to DTED by December 16, 1988.

If you have any questions about the program or application requirements, please call 612/296-5005 and ask for the Community Assistance Unit.

APPLICANT ELIGIBILITY

For purposes of this grant program, communities are defined as a home rule charter or statutory city, a town, a local community improvement or local development organization, or an Indian tribe. An applicant, other than a local unit of government or an Indian tribe, could be a nonprofit, public service organization such as an organized neighborhood development group, an economic development authority or a community development corporation. Ineligible applicants will be disqualified without benefit of project review, and the applications will be returned.

ELIGIBLE COMPONENTS

Grant funds awarded under this program must be used for community beautification, cleanup, or other community improvement projects, including, but not limited to, removing or repairing dilapidated buildings; landscaping community entrance areas; establishing public activity areas; preserving, displaying and interpreting historic structures or events; and beautifying roadsides. Applicants are encouraged to develop project components that involve a physical and/or permanent structure or change in the defined project area. Components that would meet the goals of the program include, but are not limited to, the following:

- demolition, clearance of material and debris
- site cleanup, preparation and grading
- seeding, sodding, planting trees and shrubs
- landscaping timbers, planting islands
- repair of roofs, foundations
- siding, windows, doors, paint, lighting
- sidewalk repair or construction
- exterior and interior rehabilitation of historic structures
- picnic tables and grills
- restrooms, walkways, parking
- fencing, signs
- drinking fountains
- outdoor lighting
- garbage receptacles
- cleanup of river banks
- flag posts and kiosks

GRANT PROGRAM REQUIREMENTS

Each project component must support one of the three goals (i.e. cleanup, beautification and/or community improvement projects) of the grant program *and* be coordinated with a planned, locally sponsored celebration to be held in 1990.

Applicants must provide for public comments on the proposed Celebrate 1990 project. For cities and towns, public comment must consist of an official public hearing. The public hearing must: 1) be advertised in the official newspaper two weeks in advance of the hearing; 2) be conducted in the evening hours and in a convenient location; and, 3) describe the proposed project and solicit citizen comments.

For Indian tribes, local community improvement or development organizations, public comment must consist of a public meeting that also must: 1) be advertised in the local newspaper two weeks in advance of the meeting; 2) be conducted in the evening hours in a convenient location; and, 3) describe the proposed project and solicit citizen comments. A copy of the public hearing or public meeting advertisement and minutes must be submitted with the application.

In the formative stages of the project, the applicant should designate an individual as the primary contact person for the project. This person would then be responsible for overall project coordination prior to the submission of the application and the implementation of the project after the grant is awarded.

The grant program requires that a community provide three dollars for every one dollar of grant funds requested. These local match dollars cannot include other state program funds. Local match dollars could include federal, local and private funds or in-kind services such as volunteer labor, donation of equipment time, and materials

and services. Grant funds may not replace or supplant funds already budgeted for a 1990 celebration. The amount of the grant request must be in addition to the amount originally budgeted for the project.

The maximum amount of grant funds that an applicant can request in the application is \$25,000. There is no minimum amount as each applicant's request will depend on the scope of the project and the amount of matched funds that they are able to raise and document. The appendices contain information that will assist the applicant in documenting volunteer labor and donation of equipment time.

The applicant must submit three copies of the application to DTED for the review process. Applications must be delivered no later than 4:30 p.m. on Friday, December 16, 1988 or postmarked December 16, 1988. *Each* copy of the application must contain an original signature by the primary contact person.

CRITERIA FOR EVALUATING APPLICATIONS

After the application has been submitted to DTED, additional information will not be accepted. Clarification of vague or ambiguous application materials may be requested by the DTED review team. Incomplete applications (i.e. missing supporting documents, etc.) will not be considered for funding.

Qualifying applications will be reviewed using three criteria that are each assigned a range of points. A score of zero would indicate non-compliance. In order for an application to be reviewed, it must contain the basic, minimal requirements as outlined in this manual. The commissioner of DTED must approve applications for funding and may approve an application for funding in an amount *less than* requested.

The criteria to be used in reviewing and ranking applications are statutory requirements and are summarized as follows:

- | | |
|--------------------------------------------------------------------------------------------------------------|---------------------------------------|
| 1. Extent to which the proposed components meet at least one of the three goals of the grant program. | Maximum 20 points
Minimum 0 points |
| 2. Extent to which the proposed project is coordinated with a planned, locally sponsored 1990 Celebration. | Maximum 20 points
Minimum 0 points |
| 3. Project components represent a physical and/or permanent structure or change in the defined project area. | Maximum 20 points
Minimum 0 points |

TOTAL MAXIMUM POINTS

60 POINTS

MEMORANDUM

TO: Jerry Dulgar
City Manager

FROM: James F. Mossey
Chief of Police

RE: MPRS Directors & Alternates

DATE: October 27, 1988

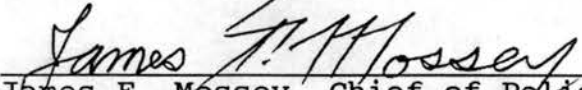
As you know, I have been designated a Director, by name, in the Minnesota Police Recruitment System. This is the organization we use to draw our police recruits from. Listed as an alternate is John Irving, former City Manager of the City of Crystal.

Many of the cities in this organization list the position rather than the individual by name, including your former employer, the City of Anoka.

I am suggesting that the designates for the City of Crystal for Director/Alternate be changed from a named individual to the position of the individual. In Crystal's case, the Director would be the Chief of Police and the Alternate would be the City Manager.

I believe this requires action by the City Council with a copy of the Resolution forwarded to the Minnesota Police Recruitment System.

If you have any questions, please let me know.


James F. Mossey, Chief of Police

JFM:dsl

Attachment

LIST OF MPRS DIRECTORS AND ALTERNATES

<u>Community</u>	<u>Director</u>	<u>Alternate</u>
Anoka	Police Chief	City Manager
Apple Valley	Police Chief	City Administrator
Bloomington	City Manager	Personnel Director
Brooklyn Center	City Manager	Police Chief
Brooklyn Park	Larry Buroker	Don Davis
Carver County	James Castleberry	Clif Bohlmann
Chaska	City Administrator	Police Chief
Columbia Heights	Police Chief	Asst. to City Manager
Coon Rapids	Police Chief	Asst. to City Manager
Cottage Grove	Carl Meissner	Dennis Cusick
Crystal	James Mossey	John Irving
Eagan	Police Chief	City Administrator
Fridley	Public Safety Dir.	Dep. Public Safety Dir.
Golden Valley	Dean Mooney	Roger Johnson
Hastings	Daryl Plath	Lu Stoffel
Inver Grove Heights	Robert Schaefer	Robert Harris
Lakeville	City Administrator	Police Chief
Mankato	Glen Gabriel	-?-
New Brighton	John Kelley	Geraldine Evans
New Hope	Daniel Donahue	Colin Kastanos
New Ulm	City Manager	Police Chief
North Mankato	Dale Broughten	Les Ennis
North St. Paul	Thomas Langeslay	Robert Gatti
Oakdale	Police Chief	City Administrator
Orono	Melvin Kilbo	Mark Bernhardson
Plymouth	Police Chief	Patrol Lieutenant
Prior Lake	City Manager	Police Chief
Richfield	Public Safety Dir.	City Manager
Robbinsdale	Police Chief	City Manager
Rosemount	Police Chief	Mayor
Roseville	Jim Zelinsky	Jim Andre
St. Anthony	Donald Hickerson	David Childs
St. James	Don Mickelson	Ken Bottem
St. Peter	Clerk-Administrator	Police Chief
Savage	City Administrator	Police Chief
Shakopee	Tom Brownell	John Anderson
Waseca	Mark Sather	Avery Hall
Wayzata	City Manager	Police Chief
White Bear Lake	William Joynes	Peter Korolchuk
Woodbury	Barry Johnson	Greg Orth

RESOLUTION NO. 88-

RESOLUTION NAMING THE POSITION OF CHIEF OF
POLICE AS DIRECTOR AND THE POSITION OF THE CITY
MANAGER AS ALTERNATE IN THE MINNESOTA POLICE
RECRUITMENT SYSTEM

WHEREAS, in the past, a Director and Alternate in the Minnesota Police Recruitment System with the City of Crystal were listed by name rather than position, and

WHEREAS, many of the cities in this organization list the position rather than the individual by name.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Crystal does hereby approve that the designates for the City of Crystal for Director and Alternate be changed from a named individual to the position of the individual. The Director would be the Chief of Police and the Alternate would be the City Manager.

Mayor

ATTEST:

City Clerk

THIS LEASE AGREEMENT, Made this 31st day of October, 1988,
 by and between Paddock Bar - 5540 Lakeland Ave No, mpls, mn 55429
 _____, herein called LANDLORD(S), and Church of All Saints
 herein called TENANT(S).

The LANDLORD(S) agrees to lease and rent to the TENANT(S), in consideration of rent paid and promises made by the TENANT(S), and the TENANT(S) agrees to rent and lease from the LANDLORD(S), the premises described below, located in the County of Hennepin and State of Minnesota:

To use and occupy the premises just as they are, without any liability or obligation on the part of the LANDLORD(S), to make any alterations, improvements or repairs of any kind on or about the premises, for and during the full term of 10-31-88 from and after the _____ day of 10-31, 1989 for the following purposes:

The TENANT(S) agree to pay to the LANDLORD(S) as rent the sum of 7,200 dollars for and during the full term of this lease:

\$600.00 per month. Space rented for the use of selling pull tabs

IT IS FURTHER MUTUALLY AGREED between the parties as follows:

QUIET ENJOYMENT. The LANDLORD(S) promises that on paying the rent and performing the promises contained in this agreement, the TENANT(S) shall peacefully and quietly have, hold and enjoy the leased premises for the agreed term.

ASSIGNMENT AND SUBLETTING. The TENANT(S) shall not assign this lease or sublet the premises described above, in whole or in part, without first obtaining the LANDLORD(S) written consent.

SURRENDER OF PREMISES. At the expiration of the lease term, the TENANT(S) shall vacate and surrender the premises to the LANDLORD(S) in as good condition and repair as they were at the commencement of this lease, reasonable use and wear excepted.

VIOLATION OF AGREEMENT. If the TENANT(S) fails to make any payments mentioned in this lease agreement or fails to pay any rent when it becomes due, or violates any other promise, condition or agreement contained in this agreement, the LANDLORD(S) may re-enter and take possession of the premises. The LANDLORD(S) re-entry will not affect the TENANT(S) obligation to pay rent and fulfill any promise or agreement contained in this agreement for the full term of the lease. Or, the LANDLORD(S) may at _____ option cancel and terminate this lease agreement and may re-enter and take possession of the premises.

IN TESTIMONY WHEREOF, Both parties have hereunto set their hands the day and year first above written.

Signed, Sealed and Delivered in presence of

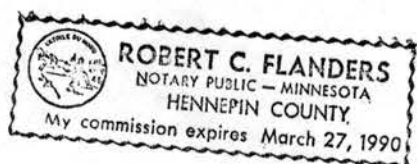
Joe Hutterer Seal
Thaddeus J. Widdick Seal
George J. Lovelick Seal

State of Minnesota
County of Hennepin } ss.
_____ }

On this 6th day of October, A.D. 1988, before me, a Notary Public _____ within and for said County, personally appeared Joe Hartinger, Thaddeus J. Dudek and George J. Kovalik


to me known to be the persons____ described in and who executed the foregoing instrument, and acknowledged

that they executed the same as their free act and deed.



My Commission expires _____, 19____

act and deed.



Notary Public

County of Hennepin
State of Minnesota

Lease

FROM

Paddock Bay LANDLORD(S)

TO

Church of all Saints

TENANTS(S)

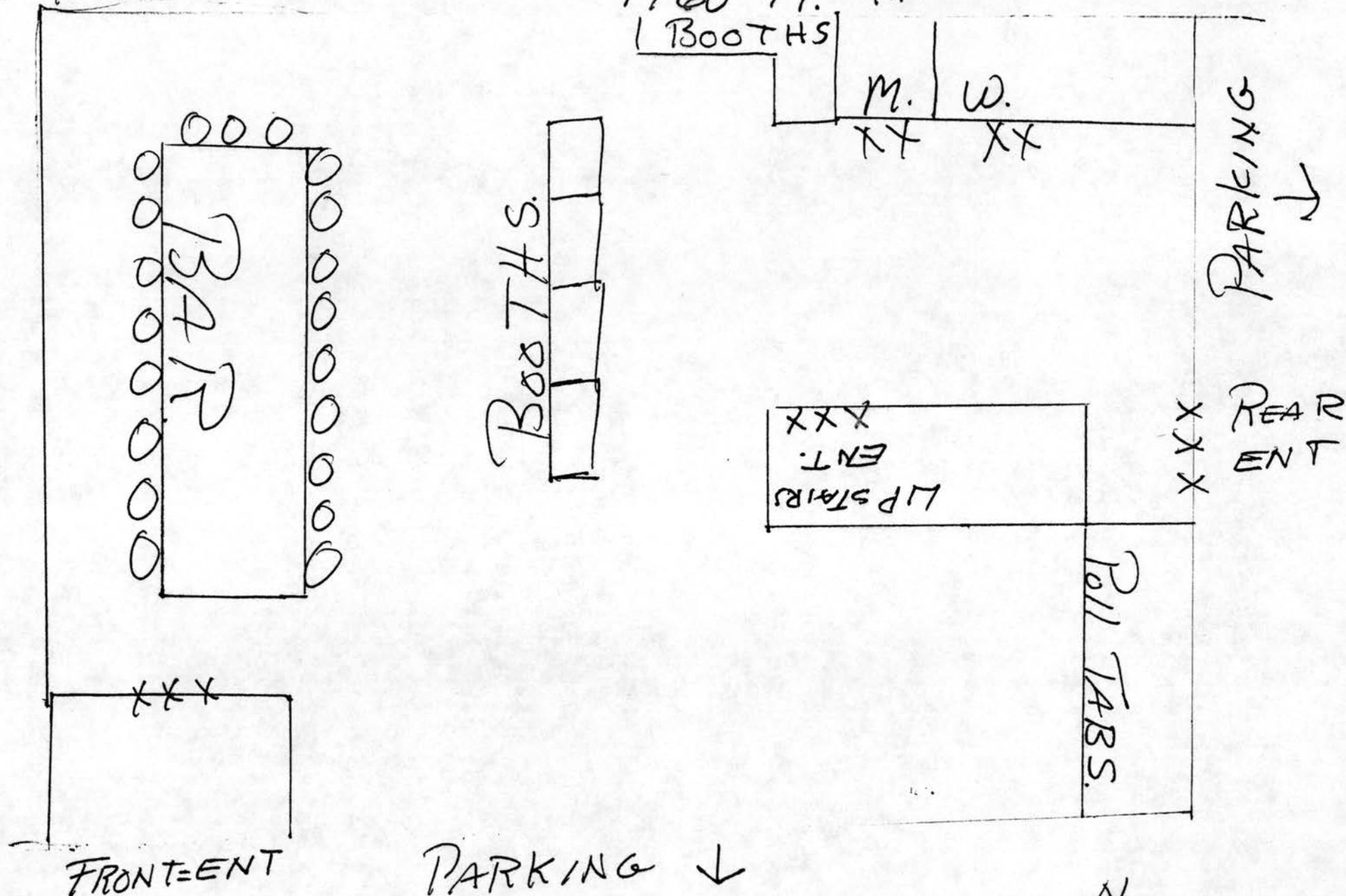
Amount, \$ 6.00 per month

payable 15th of the month

at

BLDG. IS 40-X-44 =

1760 FT. BATH
RMS
1 BOOTHS



PADDock 5540 LAKE/AND NO

W N
+ S
10



AIA Document B141

Standard Form of Agreement Between Owner and Architect

1987 EDITION

*THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH
AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION.*

AGREEMENT

made as of the TENTH day of NOVEMBER in the year of
Nineteen Hundred and EIGHTY-EIGHT

BETWEEN the Owner:

(Name and address)

City of Crystal
4141 Douglas Drive
Crystal, Minnesota 55422-1696

and the Architect:

(Name and address)

Anderson Dale Architects, Inc.
2675 University Avenue
St Paul, Minnesota 55114

For the following Project:

(Include detailed description of Project, location, address and scope.)

Design, Construction Documents, Construction Observation and Contract
Administration for a Community Center of approximate 30,000 square feet,
located adjacent to existing municipal facilities at 48th & Douglas Drive
Crystal, Minnesota.

The Owner and Architect agree as set forth below.

Copyright 1917, 1926, 1948, 1951, 1953, 1958, 1961, 1963, 1966, 1967, 1970, 1974, 1977, ©1987 by The American Institute of Architects, 1735 New York Avenue, N.W., Washington, D.C. 20006. Reproduction of the material herein or substantial quotation of its provisions without written permission of the AIA violates the copyright laws of the United States and will be subject to legal prosecution.

TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT

ARTICLE 1

ARCHITECT'S RESPONSIBILITIES

1.1 ARCHITECT'S SERVICES

1.1.1 The Architect's services consist of those services performed by the Architect, Architect's employees and Architect's consultants as enumerated in Articles 2 and 3 of this Agreement and any other services included in Article 12.

1.1.2 The Architect's services shall be performed as expeditiously as is consistent with professional skill and care and the orderly progress of the Work. Upon request of the Owner, the Architect shall submit for the Owner's approval a schedule for the performance of the Architect's services which may be adjusted as the Project proceeds, and shall include allowances for periods of time required for the Owner's review and for approval of submissions by authorities having jurisdiction over the Project. Time limits established by this schedule approved by the Owner shall not, except for reasonable cause, be exceeded by the Architect or Owner.

1.1.3 The services covered by this Agreement are subject to the time limitations contained in Subparagraph 11.5.1.

ARTICLE 2

SCOPE OF ARCHITECT'S BASIC SERVICES

2.1 DEFINITION

2.1.1 The Architect's Basic Services consist of those described in Paragraphs 2.2 through 2.6 and any other services identified in Article 12 as part of Basic Services, and include normal structural, mechanical and electrical engineering services.

2.2 SCHEMATIC DESIGN PHASE

2.2.1 The Architect shall review the program furnished by the Owner to ascertain the requirements of the Project and shall arrive at a mutual understanding of such requirements with the Owner.

2.2.2 The Architect shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other, subject to the limitations set forth in Subparagraph 5.2.1.

2.2.3 The Architect shall review with the Owner alternative approaches to design and construction of the Project.

2.2.4 Based on the mutually agreed-upon program, schedule and construction budget requirements, the Architect shall prepare, for approval by the Owner, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components.

2.2.5 The Architect shall submit to the Owner a preliminary estimate of Construction Cost based on current area, volume or other unit costs.

2.3 DESIGN DEVELOPMENT PHASE

2.3.1 Based on the approved Schematic Design Documents and any adjustments authorized by the Owner in the program,

schedule or construction budget, the Architect shall prepare, for approval by the Owner, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.

2.3.2 The Architect shall advise the Owner of any adjustments to the preliminary estimate of Construction Cost.

2.4 CONSTRUCTION DOCUMENTS PHASE

2.4.1 Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the construction budget authorized by the Owner, the Architect shall prepare, for approval by the Owner, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project.

2.4.2 The Architect shall assist the Owner in the preparation of the necessary bidding information, bidding forms, the Conditions of the Contract, and the form of Agreement between the Owner and Contractor.

2.4.3 The Architect shall advise the Owner of any adjustments to previous preliminary estimates of Construction Cost indicated by changes in requirements or general market conditions.

2.4.4 The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

2.5 BIDDING OR NEGOTIATION PHASE

2.5.1 The Architect, following the Owner's approval of the Construction Documents and of the latest preliminary estimate of Construction Cost, shall assist the Owner in obtaining bids or negotiated proposals and assist in awarding and preparing contracts for construction.

2.6 CONSTRUCTION PHASE—ADMINISTRATION OF THE CONSTRUCTION CONTRACT

2.6.1 The Architect's responsibility to provide Basic Services for the Construction Phase under this Agreement commences with the award of the Contract for Construction and terminates at the earlier of the issuance to the Owner of the final Certificate for Payment or 60 days after the date of Substantial Completion of the Work, unless extended under the terms of Subparagraph 10.3.3.

2.6.2 The Architect shall provide administration of the Contract for Construction as set forth below and in the edition of AIA Document A201, General Conditions of the Contract for Construction, ~~xxxxxx of the date of this Agreement~~ unless otherwise provided in this Agreement.

2.6.3 Duties, responsibilities and limitations of authority of the Architect shall not be restricted, modified or extended without written agreement of the Owner and Architect with consent of the Contractor, which consent shall not be unreasonably withheld.

2.6.4 The Architect shall be a representative of and shall advise and consult with the Owner (1) during construction until final payment to the Contractor is due, and (2) as an Additional Service at the Owner's direction from time to time during the correction period described in the Contract for Construction. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement unless otherwise modified by written instrument.

2.6.5 The Architect shall visit the site at intervals appropriate to the stage of construction or as otherwise agreed by the Owner and Architect in writing to become generally familiar with the progress and quality of the Work completed and to determine in general if the Work is being performed in a manner indicating that the Work when completed will be in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of on-site observations as an architect, the Architect shall keep the Owner informed of the progress and quality of the Work, and shall endeavor to guard the Owner against defects and deficiencies in the Work. *(More extensive site representation may be agreed to as an Additional Service, as described in Paragraph 3.2.)*

2.6.6 The Architect shall not have control over or charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, since these are solely the Contractor's responsibility under the Contract for Construction. The Architect shall not be responsible for the Contractor's schedules or failure to carry out the Work in accordance with the Contract Documents. The Architect shall not have control over or charge of acts or omissions of the Contractor, Subcontractors, or their agents or employees, or of any other persons performing portions of the Work.

2.6.7 The Architect shall at all times have access to the Work wherever it is in preparation or progress.

2.6.8 Except as may otherwise be provided in the Contract Documents or when direct communications have been specially authorized, the Owner and Contractor shall communicate through the Architect. Communications by and with the Architect's consultants shall be through the Architect.

2.6.9 Based on the Architect's observations and evaluations of the Contractor's Applications for Payment, the Architect shall review and ~~certify~~ **recommend** the amounts due the Contractor.

2.6.10 The Architect's certification for payment shall constitute a representation to the Owner, based on the Architect's observations at the site as provided in Subparagraph 2.6.5 and on the data comprising the Contractor's Application for Payment, that the Work has progressed to the point indicated and that, to the best of the Architect's knowledge, information and belief, quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to results of subsequent tests and inspections, to minor deviations from the Contract Documents correctable prior to completion and to specific qualifications expressed by the Architect. The issuance of a Certificate for Payment shall further constitute a representation that the Contractor is entitled to payment in the amount certified. However, the issuance of a Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or

quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and material suppliers and other data requested by the Owner to substantiate the Contractor's right to payment or (4) ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

2.6.11 The Architect shall have authority to reject Work which does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable for implementation of the intent of the Contract Documents, the Architect will have authority to require additional inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees or other persons performing portions of the Work.

2.6.12 The Architect shall review and approve or take other appropriate action upon Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect's action shall be taken with such reasonable promptness as to cause no delay in the Work or in the construction of the Owner or of separate contractors, while allowing sufficient time in the Architect's professional judgment to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities or for substantiating instructions for installation or performance of equipment or systems designed by the Contractor, all of which remain the responsibility of the Contractor to the extent required by the Contract Documents. The Architect's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect, of construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component. When professional certification of performance characteristics of materials, systems or equipment is required by the Contract Documents, the Architect shall be entitled to rely upon such certification to establish that the materials, systems or equipment will meet the performance criteria required by the Contract Documents.

2.6.13 The Architect shall prepare Change Orders and Construction Change Directives, with supporting documentation and data if deemed necessary by the Architect as provided in Subparagraphs 3.1.1 and 3.3.3, for the Owner's approval and execution in accordance with the Contract Documents, and may authorize minor changes in the Work not involving an adjustment in the Contract Sum or an extension of the Contract Time which are not inconsistent with the intent of the Contract Documents.

2.6.14 The Architect shall conduct inspections to determine the date or dates of Substantial Completion and the date of final completion, shall receive and forward to the Owner for the Owner's review and records written warranties and related documents required by the Contract Documents and assembled by the Contractor, and shall issue a final Certificate for Payment upon compliance with the requirements of the Contract Documents.

2.6.15 The Architect shall interpret and decide matters concerning performance of the Owner and Contractor under the requirements of the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests shall be made with reasonable promptness and within any time limits agreed upon.

2.6.16 Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and initial decisions, the Architect shall endeavor to secure faithful performance by both Owner and Contractor, shall not show partiality to either, and shall not be liable for results of interpretations or decisions so rendered in good faith.

2.6.17 The Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

2.6.18 The Architect shall render written decisions within a reasonable time on all claims, disputes or other matters in question between the Owner and Contractor relating to the execution or progress of the Work as provided in the Contract Documents.

2.6.19 The Architect's decisions on claims, disputes or other matters, including those in question between the Owner and Contractor, except for those relating to aesthetic effect as provided in Subparagraph 2.6.17, shall be subject to arbitration as provided in this Agreement and in the Contract Documents.

ARTICLE 3

ADDITIONAL SERVICES

3.1 GENERAL

3.1.1 The services described in this Article 3 are not included in Basic Services unless so identified in Article 12, and they shall be paid for by the Owner as provided in this Agreement, in addition to the compensation for Basic Services. The services described under Paragraphs 3.2 and 3.4 shall only be provided if authorized or confirmed in writing by the Owner. If services described under Contingent Additional Services in Paragraph 3.3 are required due to circumstances beyond the Architect's control, the Architect shall notify the Owner prior to commencing such services. If the Owner deems that such services described under Paragraph 3.3 are not required, the Owner shall give prompt written notice to the Architect. If the Owner indicates in writing that all or part of such Contingent Additional Services are not required, the Architect shall have no obligation to provide those services.

3.2 PROJECT REPRESENTATION BEYOND BASIC SERVICES

3.2.1 If more extensive representation at the site than is described in Subparagraph 2.6.5 is required, the Architect shall provide one or more Project Representatives to assist in carrying out such additional on-site responsibilities.

3.2.2 Project Representatives shall be selected, employed and directed by the Architect, and the Architect shall be compensated therefor as agreed by the Owner and Architect. The duties, responsibilities and limitations of authority of Project Representatives shall be as described in the edition of AIA Document B352 current as of the date of this Agreement, unless otherwise agreed.

3.2.3 Through the observations by such Project Representatives, the Architect shall endeavor to provide further protection for the Owner against defects and deficiencies in the Work, but the furnishing of such project representation shall not modify the rights, responsibilities or obligations of the Architect as described elsewhere in this Agreement.

3.3 CONTINGENT ADDITIONAL SERVICES

3.3.1 Making revisions in Drawings, Specifications or other documents when such revisions are:

- .1** inconsistent with approvals or instructions previously given by the Owner, including revisions made necessary by adjustments in the Owner's program or Project budget;
- .2** required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents; or
- .3** due to changes required as a result of the Owner's failure to render decisions in a timely manner.

3.3.2 Providing services required because of significant changes in the Project including, but not limited to, size, quality, complexity, the Owner's schedule, or the method of bidding or negotiating and contracting for construction, except for services required under Subparagraph 5.2.5.

3.3.3 Preparing Drawings, Specifications and other documentation and supporting data, evaluating Contractor's proposals, and providing other services in connection with Change Orders and Construction Change Directives.

3.3.4 Providing services in connection with evaluating substitutions proposed by the Contractor and making subsequent revisions to Drawings, Specifications and other documentation resulting therefrom.

3.3.5 Providing consultation concerning replacement of Work damaged by fire or other cause during construction, and furnishing services required in connection with the replacement of such Work.

3.3.6 Providing services made necessary by the default of the Contractor, by major defects or deficiencies in the Work of the Contractor, or by failure of performance of either the Owner or Contractor under the Contract for Construction.

3.3.7 Providing services in evaluating an extensive number of claims submitted by the Contractor or others in connection with the Work.

3.3.8 Providing services in connection with a public hearing, arbitration proceeding or legal proceeding except where the Architect is party thereto.

3.3.9 Preparing documents for alternate, separate or sequential bids or providing services in connection with bidding, negotiation or construction prior to the completion of the Construction Documents Phase.

3.4 OPTIONAL ADDITIONAL SERVICES

3.4.1 Providing analyses of the Owner's needs and programming the requirements of the Project.

3.4.2 Providing financial feasibility or other special studies.

3.4.3 Providing planning surveys, site evaluations or comparative studies of prospective sites.

3.4.4 Providing special surveys, environmental studies and submissions required for approvals of governmental authorities or others having jurisdiction over the Project.

3.4.5 Providing services relative to future facilities, systems and equipment.

3.4.6 Providing services to investigate existing conditions or facilities or to make measured drawings thereof.

3.4.7 Providing services to verify the accuracy of drawings or other information furnished by the Owner.

3.4.8 Providing coordination of construction performed by separate contractors or by the Owner's own forces and coordination of services required in connection with construction performed and equipment supplied by the Owner.

3.4.9 Providing services in connection with the work of a construction manager or separate consultants retained by the Owner.

3.4.10 Providing detailed estimates of Construction Cost.

3.4.11 Providing detailed quantity surveys or inventories of material, equipment and labor.

3.4.12 Providing analyses of owning and operating costs.

3.4.13 Providing interior design and other similar services required for or in connection with the selection, procurement or installation of furniture, furnishings and related equipment.

3.4.14 Providing services for planning tenant or rental spaces.

3.4.15 Making investigations, inventories of materials or equipment, or valuations and detailed appraisals of existing facilities.

3.4.16 Preparing a set of reproducible record drawings showing significant changes in the Work made during construction based on marked-up prints, drawings and other data furnished by the Contractor to the Architect.

3.4.17 Providing assistance in the utilization of equipment or systems such as testing, adjusting and balancing, preparation of operation and maintenance manuals, training personnel for operation and maintenance, and consultation during operation.

3.4.18 Providing services after issuance to the Owner of the final Certificate for Payment, or in the absence of a final Certificate for Payment, more than 60 days after the date of Substantial Completion of the Work.

3.4.19 Providing services of consultants for other than architectural, structural, mechanical and electrical engineering portions of the Project provided as a part of Basic Services.

3.4.20 Providing any other services not otherwise included in this Agreement or not customarily furnished in accordance with generally accepted architectural practice.

ARTICLE 4

OWNER'S RESPONSIBILITIES

4.1 The Owner shall provide full information regarding requirements for the Project, including a program which shall set forth the Owner's objectives, schedule, constraints and criteria, including space requirements and relationships, flexibility, expandability, special equipment, systems and site requirements.

4.2 The Owner shall establish and update an overall budget for the Project, including the Construction Cost, the Owner's other costs and reasonable contingencies related to all of these costs.

4.3 If requested by the Architect, the Owner shall furnish evidence that financial arrangements have been made to fulfill the Owner's obligations under this Agreement.

4.4 The Owner shall designate a representative authorized to act on the Owner's behalf with respect to the Project. The Owner or such authorized representative shall render decisions in a timely manner pertaining to documents submitted by the Architect in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services.

4.5 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data pertaining to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a project benchmark.

4.6 The Owner shall furnish the services of geotechnical engineers when such services are requested by the Architect. Such services may include but are not limited to test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, ground corrosion and resistivity tests, including necessary operations for anticipating subsoil conditions, with reports and appropriate professional recommendations.

4.6.1 The Owner shall furnish the services of other consultants when such services are reasonably required by the scope of the Project and are requested by the Architect.

4.7 The Owner shall furnish structural, mechanical, chemical, air and water pollution tests, tests for hazardous materials, and other laboratory and environmental tests, inspections and reports required by law or the Contract Documents.

4.8 The Owner shall furnish all legal, accounting and insurance counseling services as may be necessary at any time for the Project, including auditing services the Owner may require to verify the Contractor's Applications for Payment or to ascertain how or for what purposes the Contractor has used the money paid by or on behalf of the Owner.

4.9 The services, information, surveys and reports required by Paragraphs 4.5 through 4.8 shall be furnished at the Owner's expense, and the Architect shall be entitled to rely upon the accuracy and completeness thereof.

4.10 Prompt written notice shall be given by the Owner to the Architect if the Owner becomes aware of any fault or defect in the Project or nonconformance with the Contract Documents.

4.11 The proposed language of certificates or certifications requested of the Architect or Architect's consultants shall be submitted to the Architect for review and approval at least 14 days prior to execution. The Owner shall not request certifications that would require knowledge or services beyond the scope of this Agreement.

ARTICLE 5

CONSTRUCTION COST

5.1 DEFINITION

5.1.1 The Construction Cost shall be the total cost or estimated cost to the Owner of all elements of the Project designed or specified by the Architect.

5.1.2 The Construction Cost shall include the cost at current market rates of labor and materials furnished by the Owner and equipment designed, specified, selected or specially provided for by the Architect, plus a reasonable allowance for the Contractor's overhead and profit. In addition, a reasonable allowance for contingencies shall be included for market conditions at the time of bidding and for changes in the Work during construction.

5.1.3 Construction Cost does not include the compensation of the Architect and Architect's consultants, the costs of the land, rights-of-way, financing or other costs which are the responsibility of the Owner as provided in Article 4.

5.2 RESPONSIBILITY FOR CONSTRUCTION COST

5.2.1 Evaluations of the Owner's Project budget, preliminary estimates of Construction Cost and detailed estimates of Construction Cost, if any, prepared by the Architect, represent the Architect's best judgment as a design professional familiar with the construction industry. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials or equipment, over the Contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Owner's Project budget or from any estimate of Construction Cost or evaluation prepared or agreed to by the Architect.

5.2.2 No fixed limit of Construction Cost shall be established as a condition of this Agreement by the furnishing, proposal or establishment of a Project budget, unless such fixed limit has been agreed upon in writing and signed by the parties hereto. If such a fixed limit has been established, the Architect shall be permitted to include contingencies for design, bidding and price escalation, to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents, to make reasonable adjustments in the scope of the Project and to include in the Contract Documents alternate bids to adjust the Construction Cost to the fixed limit. Fixed limits, if any, shall be increased in the amount of an increase in the Contract Sum occurring after execution of the Contract for Construction.

5.2.3 If the Bidding or Negotiation Phase has not commenced within 90 days after the Architect submits the Construction Documents to the Owner, any Project budget or fixed limit of Construction Cost shall be adjusted to reflect changes in the general level of prices in the construction industry between the date of submission of the Construction Documents to the Owner and the date on which proposals are sought.

5.2.4 If a fixed limit of Construction Cost (adjusted as provided in Subparagraph 5.2.3) is exceeded by the lowest bona fide bid or negotiated proposal, the Owner shall:

- .1** give written approval of an increase in such fixed limit;
- .2** authorize rebidding or renegotiating of the Project within a reasonable time;

- .3** if the Project is abandoned, terminate in accordance with Paragraph 8.3; or
- .4** cooperate in revising the Project scope and quality as required to reduce the Construction Cost.

5.2.5 If the Owner chooses to proceed under Clause 5.2.4.4, the Architect, without additional charge, shall modify the Contract Documents as necessary to comply with the fixed limit, if established as a condition of this Agreement. The modification of Contract Documents shall be the limit of the Architect's responsibility arising out of the establishment of a fixed limit. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.

ARTICLE 6

USE OF ARCHITECT'S DRAWINGS, SPECIFICATIONS AND OTHER DOCUMENTS

6.1 The Drawings, Specifications and other documents prepared by the Architect for this Project are instruments of the Architect's service for use solely with respect to this Project and, unless otherwise provided, the Architect shall be deemed the author of these documents and shall retain all common law, statutory and other reserved rights, including the copyright. The Owner shall be permitted to retain copies, including reproducible copies, of the Architect's Drawings, Specifications and other documents for information and reference in connection with the Owner's use and occupancy of the Project. The Architect's Drawings, Specifications or other documents shall not be used by the Owner or others on other projects, for additions to this Project or for completion of this Project by others, unless the Architect is adjudged to be in default under this Agreement, except by agreement in writing and with appropriate compensation to the Architect.

6.2 Submission or distribution of documents to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the Architect's reserved rights.

ARTICLE 7

ARBITRATION

7.1 Claims, disputes or other matters in question between the parties to this Agreement arising out of or relating to this Agreement or breach thereof shall be subject to and decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect unless the parties mutually agree otherwise.

7.2 Demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. A demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statutes of limitations.

7.3 No arbitration arising out of or relating to this Agreement shall include, by consolidation, joinder or in any other manner, an additional person or entity not a party to this Agreement,

except by written consent containing a specific reference to this Agreement signed by the Owner, Architect, and any other person or entity sought to be joined. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent or with a person or entity not named or described therein. The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by the parties to this Agreement shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.

7.4 The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

ARTICLE 8

TERMINATION, SUSPENSION OR ABANDONMENT

8.1 This Agreement may be terminated by either party upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

8.2 If the Project is suspended by the Owner for more than 30 consecutive days, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect's compensation shall be equitably adjusted to provide for expenses incurred in the interruption and resumption of the Architect's services.

8.3 This Agreement may be terminated by the Owner upon not less than seven days' written notice to the Architect in the event that the Project is permanently abandoned. If the Project is abandoned by the Owner for more than 90 consecutive days, the Architect may terminate this Agreement by giving written notice.

8.4 Failure of the Owner to make payments to the Architect in accordance with this Agreement shall be considered substantial nonperformance and cause for termination.

8.5 If the Owner fails to make payment when due the Architect for services and expenses, the Architect may, upon seven days' written notice to the Owner, suspend performance of services under this Agreement. Unless payment in full is received by the Architect within seven days of the date of the notice, the suspension shall take effect without further notice. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services.

8.6 In the event of termination not the fault of the Architect, the Architect shall be compensated for services performed prior to termination, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 8.7.

8.7 Termination Expenses are in addition to compensation for Basic and Additional Services, and include expenses which are directly attributable to termination. Termination Expenses shall be computed as a percentage of the total compensation for Basic Services and Additional Services earned to the time of termination, as follows:

- .1** Twenty percent of the total compensation for Basic and Additional Services earned to date if termination occurs before or during the predesign, site analysis, or Schematic Design Phases; or

- .2** Ten percent of the total compensation for Basic and Additional Services earned to date if termination occurs during the Design Development Phase; or
- .3** Five percent of the total compensation for Basic and Additional Services earned to date if termination occurs during any subsequent phase.

ARTICLE 9

MISCELLANEOUS PROVISIONS

9.1 Unless otherwise provided, this Agreement shall be governed by the law of the principal place of business of the Architect.

9.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

9.3 Causes of action between the parties to this Agreement pertaining to acts or failures to act shall be deemed to have accrued and the applicable statutes of limitations shall commence to run not later than either the date of Substantial Completion for acts or failures to act occurring prior to Substantial Completion, or the date of issuance of the final Certificate for Payment for acts or failures to act occurring after Substantial Completion.

9.4 The Owner and Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, but only to the extent covered by property insurance during construction, except such rights as they may have to the proceeds of such insurance as set forth in the edition of AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement. The Owner and Architect each shall require similar waivers from their contractors, consultants and agents.

9.5 The Owner and Architect, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither Owner nor Architect shall assign this Agreement without the written consent of the other.

9.6 This Agreement represents the entire and integrated agreement between the Owner and Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.

9.7 Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of a third party against either the Owner or Architect.

9.8 ~~XXXXXX~~ The Architect and Architect's consultants shall have no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials in any form at the Project site, including but not limited to asbestos, asbestos products, polychlorinated biphenyl (PCB) or other toxic substances.

9.9 The Architect shall have the right to include representations of the design of the Project, including photographs of the exterior and interior, among the Architect's promotional and professional materials. The Architect's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Architect in writing of

or any part thereof is suspended for more than 7 days

the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect on the construction sign and in the promotional materials for the Project.

PAYMENTS TO THE ARCHITECT

10.1 DIRECT PERSONNEL EXPENSE

10.1.1 Direct Personnel Expense is defined as the direct salaries of the Architect's personnel engaged on the Project and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, pensions and similar contributions and benefits.

10.2 REIMBURSABLE EXPENSES

10.2.1 Reimbursable Expenses are in addition to compensation for Basic and Additional Services and include expenses incurred by the Architect and Architect's employees and consultants in the interest of the Project, as identified in the following Clauses.

10.2.1.1 Expense of transportation in connection with the Project; expenses in connection with authorized out-of-town travel; long-distance communications; and fees paid for securing approval of authorities having jurisdiction over the Project.

10.2.1.2 Expense of reproductions, postage and handling of Drawings, Specifications and other documents.

10.2.1.3 If authorized in advance by the Owner, expense of overtime work requiring higher than regular rates.

10.2.1.4 Expense of renderings, models and mock-ups requested by the Owner.

~~10.2.1.5 Expense of additional insurance coverage or limits, including professional liability insurance, requested by the Owner in excess of that normally carried by the Architect and Architect's consultants.~~

10.2.1.6 Expense of computer-aided design and drafting equipment time when used in connection with the Project.

10.2.1.7 Expense of professional liability insurance equal to 3.0% of architectural fees.

ARTICLE 11

BASIS OF COMPENSATION

The Owner shall compensate the Architect as follows:

11.1 AN INITIAL PAYMENT of Twenty Thousand

shall be made upon execution of this Agreement and credited to the Owner's account at final payment.

11.2 BASIC COMPENSATION

11.2.1 FOR BASIC SERVICES, as described in Article 2, and any other services included in Article 12 as part of Basic Services, Basic Compensation shall be computed as follows:

(Insert basis of compensation, including stipulated sums, multiples or percentages, and identify phases to which particular methods of compensation apply, if necessary.)

10.3 PAYMENTS ON ACCOUNT OF BASIC SERVICES

10.3.1 An initial payment as set forth in Paragraph 11.1 is the minimum payment under this Agreement.

10.3.2 Subsequent payments for Basic Services shall be made monthly and, where applicable, shall be in accordance with the schedule.

10.3.3 If and to the extent that the time initially established in Subparagraph 11.5.1 of this Agreement is exceeded or extended through no fault of the Architect, compensation for any services rendered during the additional period of time shall be computed in the manner set forth in Subparagraph 11.3.2.

10.3.4 When compensation is based on a percentage of Construction Cost and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions, in accordance with the schedule set forth in Subparagraph 11.2.2, based on (1) the lowest bona fide bid or negotiated proposal, or (2) if no such bid or proposal is received, the most recent preliminary estimate of Construction Cost or detailed estimate of Construction Cost for such portions of the Project.

10.4 PAYMENTS ON ACCOUNT OF ADDITIONAL SERVICES

10.4.1 Payments on account of the Architect's Additional Services and for Reimbursable Expenses shall be made monthly upon presentation of the Architect's statement of services rendered or expenses incurred.

10.5 PAYMENTS WITHHELD

10.5.1 No deductions shall be made from the Architect's compensation on account of penalty, liquidated damages or other sums withheld from payments to contractors, or on account of the cost of changes in the Work other than those for which the Architect has been found to be liable.

10.6 ARCHITECT'S ACCOUNTING RECORDS

10.6.1 Records of Reimbursable Expenses and expenses pertaining to Additional Services and services performed on the basis of a multiple of Direct Personnel Expense shall be available to the Owner or the Owner's authorized representative at mutually convenient times.

11.2.2 Where compensation is based on a stipulated sum or percentage of Construction Cost, progress payments for Basic Services in each phase shall total the following percentages of the total Basic Compensation payable:

(Insert additional phases as appropriate.)

Schematic Design Phase:	percent (16%)
Design Development Phase:	percent (14%)
Construction Documents Phase:	percent (50%)
Bidding or Negotiation Phase:	percent (5 %)
Construction Phase: @ Hourly rate	percent (15 %)
Total Basic Compensation:	one hundred percent (100%)

11.3 COMPENSATION FOR ADDITIONAL SERVICES

11.3.1 FOR PROJECT REPRESENTATION BEYOND BASIC SERVICES, as described in Paragraph 3.2, compensation shall be computed as follows:

Hourly - see attached rate schedule

11.3.2 FOR ADDITIONAL SERVICES OF THE ARCHITECT, as described in Articles 3 and 12, other than (1) Additional Project Representation, as described in Paragraph 3.2, and (2) services included in Article 12 as part of Additional Services, but excluding services of consultants, compensation shall be computed as follows:

(Insert basis of compensation, including rates and/or multiples of Direct Personnel Expense for Principals and employees, and identify Principals and classify employees, if required. Identify specific services to which particular methods of compensation apply, if necessary.)

Hourly - se attached rate schedule

11.3.3 FOR ADDITIONAL SERVICES OF CONSULTANTS, including additional structural, mechanical and electrical engineering services and those provided under Subparagraph 3.4.19 or identified in Article 12 as part of Additional Services, a multiple of one & 15/100 (1.15) times the amounts billed to the Architect for such services.

(Identify specific types of consultants in Article 12, if required.)

11.4 REIMBURSABLE EXPENSES

11.4.1 FOR REIMBURSABLE EXPENSES, as described in Paragraph 10.2, and any other items included in Article 12 as Reimbursable Expenses, a multiple of one & 15/100 (1.15) times the expenses incurred by the Architect, the Architect's employees and consultants in the interest of the Project.

11.5 ADDITIONAL PROVISIONS

11.5.1 IF THE BASIC SERVICES covered by this Agreement have not been completed within (12) months of the date hereof, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as provided in Subparagraphs 10.3.3 and 11.3.2.

11.5.2 Payments are due and payable

~~XXXXXXXXXX days after the invoice date shall bear interest at the rate of XXXXX% per annum.~~

~~XXXXXXXXXX days after the invoice date shall bear interest at the rate of XXXXX% per annum.~~
(Insert rate of interest agreed upon.) At the Architects office on the dates shown on the attached schedule of payments.

(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Architect's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Specific legal advice should be obtained with respect to deletions or modifications, and also regarding requirements such as written disclosures or waivers.)

11.5.3 The rates and multiples set forth for Additional Services shall be annually adjusted in accordance with normal salary review practices of the Architect.

ARTICLE 12

OTHER CONDITIONS OR SERVICES

(Insert descriptions of other services, identify Additional Services included within Basic Compensation and modifications to the payment and compensation terms included in this Agreement.)

- 11.2.1 Compensation for basic services for the design development phase, construction documents phase, bidding/negotiation phase based on a stipulated sum of ~~\$170,800.00~~ 168,000.00

Compensation for basic services during construction phase is based on an hourly rate of personnel assigned to and working on the project. See attached hourly rate schedule.

- 12.1 The attached schedule of hourly compensation is a part of this agreement. All statements for services of the Architect based on hourly rates shall identify the staff members and time related to the project.
- 12.2 The attached schedule of payments is a part of this agreement.
- 12.3 The services of any specialty consultants approved by the owner shall be considered extra services. Consultants retained by the Architect shall be approved in advance by the owner.
- 12.4 Services to assist with owner purchased or acquired items such as furnishing, laboratory equipment, etc. will be considered additional services.
- 12.5 The owner's initial budget for remodeling & new construction is \$3,100,000. If the owner modifies the scope of the project with corresponding increases in the construction budget, the Architect's basic compensation shall be equitably adjusted.
- 12.6 Extensive meetings & related preparation with community groups, environmental & regulatory agencies is considered additional services.
- 12.7 Neither the Owner nor the Architect shall be liable to each other for any consequential damages including loss of use, loss of profit or cost of financing.
- 12.8 The failure of one party to insist upon or enforce, in any instance

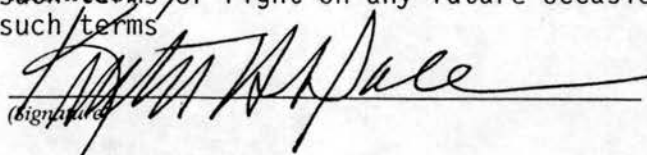
This Agreement entered into as of the day and year first written above.

OWNER

strict performance by the other party of any terms of this agreement, shall not be construed as a waiver or relinquishment to any extent of its right to assert or rely upon such terms or right on any future occasion

(Signature)

(Printed name and title)


(Signature)

Kurtis Dale Vice President
(Printed name and title)

CRYSTAL COMMUNITY CENTER
FEE PAYMENT SCHEDULE

Architectural fee of \$248,000 is based upon 8% of \$3,100,000 construction budget. Of this fee, \$40,000 has been paid (schematic design under the previous contract). The previous contract also included \$4,000 for the model that is in addition to the percentage amount.

DATE PAYMENT DUE	AMOUNT	PHASE
November 25, 1988	\$20,000	Design Development
December 25, 1988	\$20,000	Design Development
January 25, 1989	\$25,000	Contract Documents
February 25, 1989	\$35,000	Contract Documents
March 25, 1989	\$50,000	Contract Documents
April 25, 1989	\$18,000	Contract Documents/Bidding
May 25, 1989	Hourly	Construction Observation
June 25, 1989	Billings	Construction Observation
July 25, 1989	Accounting	Construction Observation
August 25, 1989	For	Construction Observation
	Approximately	Construction Observation
	15% of the	Construction Observation
	Total Fee	Construction Observation
September 25, 1989		Construction Observation
October 25, 1989		Construction Observation
November 25, 1989		Construction Observation
December 25, 1989		Punch List

ANDERSON DALE ARCHITECTS INC.
HOURLY BILLING RATES

PRINCIPALS	\$ 80.00 / HOUR
PROJECT MANAGERS	\$ 65.00 / HOUR
PROJECT ARCHITECTS	\$ 55.00 / HOUR
STAFF ARCHITECTS	\$ 45.00 / HOUR
DRAFTSPERSONS	\$ 35.00 / HOUR
CLERICAL STAFF	\$ 25.00 / HOUR



5800 85th AVENUE NORTH / BROOKLYN PARK, MN. 55443 / 612-424-8000

November 1, 1988

Thomas N. Aaker
Mayor
City of Crystal
4141 Douglas Drive North
Crystal, MN 55428

Dear Mayor Aaker:

This letter is being sent in response to your correspondence dated October 11, 1988, and attached Resolution #1988-61 regarding this City's 62nd & Douglas Redevelopment Plan.

This resolution states that there are two remaining problems - first of all, the design of the single family residential area, and second, the expansion of the commercial area and the repercussions to the Crystal residents that lie south of 62nd Avenue. I do not want the main emphasis of this letter to be a point/counter point discussion but I would like to respond to the two aforementioned items by stating the following:

1. The change in our Plan from townhomes to single family was principally done as a compromise between the residents of the City of Crystal and our community. The actual subdivision design will be fine-tuned at the time a formal subdivision is petitioned for but even if the present loop street pattern is implemented, the impact to 62nd Avenue will be minimal.
2. The proposed commercial expansion calls for only extending the present zoning line an additional 120 ft. to the east.

The existing commercial area, complete with both vacant properties and/or single family homes and businesses, is a problem that will not go away. All cities have to deal with the questions of redevelopment and unfortunately there are no easy answers. Examination of any older metropolitan neighborhood illustrates the fact that redevelopment may have to occur in order to maintain the viability of the City.


Page 2
Thomas Aaker
RE: 62nd & Douglas Redevelopment Plan

The City of Crystal itself is experiencing these changes along CSAH 81 and Bass Lake Road and likewise our City recognizes our need for change. I also recognize that neighborhoods often are fearful of any change even though the repercussions of a "do nothing" status may be more harmful in future years.

Lastly, the City is always aware as to the delicate balance between land uses and their effects on neighborhoods. Perceived incompatible land uses (commercial versus residential) can often times be made not only compatible, but complimentary if the developments are designed correctly. Please be assured that the City and the HRA will be contacting your City when any type of formal implementation occurs to the commercial and/or residential developments.

I hope that this letter addresses your City's concerns and establishes some mutual grounds in terms of our need for redevelopment and the sensitivity of the actual development to the citizens of Crystal.

Sincerely,


James J. Krautkremer
Mayor

JJK:mp

Ann H. Rest
District 46A
Hennepin County
Crystal/New Hope

Committees:
Taxes, Vice-Chair
Tax Laws Division
Judiciary
Crime and Family Law Division
Future and Technology
Metropolitan Affairs
Commission on the Economic Status
of Women
Minnesota Academic Excellence
Foundation



Minnesota House of Representatives

Robert E. Vanasek, Speaker

October 31, 1988

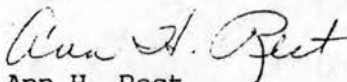
Jerry Dulgar
City Manager
City of Crystal
4141 Dougals Drive North
Crystal, MN 55422-1696

Dear Mr. Dulgar:

Thank you for sending me Resolution No. 88-60 regarding state sales tax imposed on the required removal of diseased trees. I agree with the concerns of the City Council and the Crystal Environmental Quality Commission. I have directed that a bill be prepared (enclosed) to create an exemption from the application of the sales tax in such situations and will have it introduced in the 1989 session.

I appreciate your calling my attention to this issue.

Sincerely,


Ann H. Rest
State Representative

AHR:lp

Enclosure

cc: Representative Lyndon Carlson
Senator Ember Reichgott
Chair, Crystal Environmental Quality Commission

Reply to: ☐ 429 State Office Building, St. Paul, Minnesota 55155
☐ 9332 Northwood Parkway, New Hope, Minnesota 55427

Office: (612) 296-4176
Home: (612) 546-7674

1 A bill for an act

2 relating to taxation; sales and use; exempting tree
3 removal services; amending Minnesota Statutes 1988,
4 section 297A.25, by adding a subdivision.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

6 Section 1. Minnesota Statutes 1988, section 297A.25, is
7 amended by adding a subdivision to read:

8 Subd. 42. [TREE REMOVAL.] Notwithstanding section 297A.01,
9 subdivision 3, clause (j)(vi), the gross receipts from the sale
10 of diseased tree removal services is exempt if the removal is
11 required by law or ordinance.

12 Sec. 2. [EFFECTIVE DATE.]

13 Section 1 is effective for sales after the day of final
14 enactment.

Dallene

1

DUE DATE: NOON, WEDNESDAY, OCTOBER 12, 1988

MEMO TO: Jerry Dulgar, City Manager

MEMO FROM: John Olson, Assistant City Manager

ACTION NEEDED MEMO: From the October 4, 1988 Council Meeting

The items listed below are the actions requested by the City Council at their regular Council meeting of October 4, 1988. These items should be taken care of by noon, **Wednesday**, preceding the next regularly scheduled Council meeting and returned to the Assistant City Manager for his review.

DEPARTMENT ITEM

CONSENT AGENDA

CITY CLERK

1. Consideration of the appointment of election judges and designation of polling places for the general election.
ACTION NEEDED: Proceed as authorized by Council.
ACTION TAKEN: Judges and polling places will be used as approved by Council.

CITY CLERK

2. Consideration of charitable gambling license for Lions Club at the Palace Inn Broadway Pizza.
ACTION NEEDED: Note approval by Council and notify State Gambling Board.
ACTION TAKEN: Approval noted; not necessary to notify State Gambling Board unless denial (if they don't hear in 60 days, they issue the license.)

PUBLIC HEARINGS

BUILDING
INSPECTOR

1. Public hearing to consider a request for a variance at 3232 Louisiana Avenue North.
ACTION NEEDED: Notify applicant of Council approval.
ACTION TAKEN: Applicant present.

BUILDING
INSPECTOR

2. Public hearing to consider a variance at 5260 Georgia Avenue North.
ACTION NEEDED: Notify applicant of Council approval.
ACTION TAKEN: Applicant present.

PUBLIC WORKS
DIRECTOR

3. Public hearing to consider assessments for various improvement projects.
ACTION NEEDED: Proceed to assess projects as authorized by Council.
ACTION TAKEN: Assessments certified to Hennepin County for collection.

REGULAR AGENDA

ASSISTANT CITY
MANAGER

1. Consideration of a resolution regarding hiring of the protected classes in the Crystal work force.
ACTION NEEDED: Note the goals set by the resolution and proceed to intensify efforts to find minorities, handicapped, and women into the work force.
ACTION TAKEN: Goals noted; recruitment process being revised.

PUBLIC WORKS
DIRECTOR

2. Consideration of a resolution denying application for rezoning at 6048 Lakeland Avenue North.
ACTION NEEDED: Resolution failed but denial continues; notify applicant of Council decision.
ACTION TAKEN: Applicant notified.

PUBLIC WORKS
DIRECTOR

3. Consideration of a request from Norling Motors to lease property at 5548 Lakeland Avenue North.
ACTION NEEDED: Council authorized negotiation with Norling Motors on lease of public property; proceed to negotiate lease to bring back to City Council.
ACTION TAKEN: Lease preparation initiated; improvements detailed with occupant.

CITY MANAGER

4. Consideration of a contribution to AMM for effort to develop computer analysis capability for the 1990 legislative session.
ACTION NEEDED: Send letter indicating interest in the program.
ACTION TAKEN: Letters sent.

CITY ATTORNEY

5. Consideration of resolution regarding a Lost Bond.
ACTION NEEDED: Notify bonding company to issue duplicate bond.
ACTION TAKEN: Proceeding as authorized.

PUBLIC WORKS
DIRECTOR &
FIRE CHIEF

6. Consideration of a resolution awarding bid for remodeling of the South Fire Station.
ACTION NEEDED: Notify low bidder of Council approval and proceed as authorized.
ACTION TAKEN: Contract in progress with bidders notified.

ADMINISTRATIVE
ASSISTANT

7. Consideration of a contract renewal with Metropolitan Clinic of Counseling for the Employee Assistance Program.
ACTION NEEDED: Notify company of Council approval of contract.
ACTION TAKEN: Signed contract returned to MCC and premium payment authorized.

CITY MANAGER

8. Consideration of a request from the Environmental Quality Commission regarding sales tax on diseased tree removal.
ACTION NEEDED: Prepare resolution to be sent to Attorney General and local legislators regarding sales tax on diseased tree removal.
ACTION TAKEN: Resolution prepared and sent.

PUBLIC WORKS
DIRECTOR

9. Consideration of a revised development plan for property north of 62nd Avenue in Brooklyn Park.
ACTION NEEDED: Notify Brooklyn Park through resolution regarding concerns of the Council and the request to turn the loop streets around and eliminate access to the commercial industrial property on 62nd Avenue.
ACTION TAKEN: Resolution being prepared to be forwarded to Brooklyn Park.

PUBLIC WORKS
DIRECTOR

10. Consideration of proposed improvements on Medicine Lake Road as proposed by Golden Valley, New Hope, and Hennepin County.
ACTION NEEDED: Notify affected property owners of public hearing on feasibility study for November 1, 1988.
ACTION TAKEN: Feasibility study in progress and notices are being prepared.

ADMINISTRATIVE
SECRETARY

ACTION NEEDED: Place item on November 1 Council agenda.
ACTION TAKEN: Item to be placed on November 1 Council agenda.

CITY MANAGER

11. Consideration of 1988 Union Contract with Local #49.
ACTION NEEDED: Notify Union of Council approval.
ACTION TAKEN: Union notified.

FINANCE
DIRECTOR

ACTION NEEDED: Proceed to make changes in salary and distribute backpay.
ACTION TAKEN: In progress.

CITY MANAGER

12. Consideration of Union Contract with Police Managers.
ACTION NEEDED: Notify Managers of Council approval of contract.
ACTION TAKEN: Union notified.

FINANCE
DIRECTOR

ACTION NEEDED: Adjust salaries with backpay.
ACTION TAKEN: Adjustments in progress.

CITY CLERK

13. Licenses.
ACTION NEEDED: Issue licenses.
ACTION TAKEN: Licenses issued.

CRYSTAL PARK AND RECREATION ADVISORY COMMISSION

Minutes

October 5, 1988

The regular meeting of the Crystal Park and Recreation Advisory Commission was called to order at 7:07 p.m. by Chairperson Mark Hoffmann. Members present were: Mr. Grimes, Ms. Reid, Ms. Saunders, Mr. Carlson, Mr. Sochacki, and Ms. Moucha. Also present were: Mr. Brandeen and Ms. Hackett from the department staff.

The minutes were approved as sent.

Ms. Hackett reviewed the monthly report, highlighting major activities. Becker Park rental brochures were displayed.

The summer outdoor meetings were reviewed. Commissioners thought the meeting went well. The meetings will be continued next year in June, July, August and September. Next year, the council person from that ward and section will be invited.

Ms. Reid and Mr. Hoffmann updated the commission on the Citizens' Bond Issue Committee. The committee is raising \$2,500 to be used for promotional materials. The committee has ten members representing different segments of the community. Four public meetings will be held in late October and early November. The committee will make presentations on the project at the public meetings and for other groups as needed. The Park and Recreation Advisory Commission will assist in the flyer drop to Crystal residents. It is estimated that 4,500 "yes" votes are needed to pass.

Moved by Mr. Carlson and seconded by Mr. Grimes that due to the closing of Thorson Center and the severe lack of useable space for recreational activities, the Crystal Park and Recreation Advisory Commission supports a yes vote on the November 8 bond referendum to build a community center.

Motion carried-unanimous.

The commission reviewed the proposed skateboard ordinance. Mr. Hoffmann expressed his concern over enforcement of this ordinance. He thought that enforcement would be high in the downtown area and the enforcement of other city ordinances relating to parks might slide. Skateboarding on park pathways would be allowed. Ms. Moucha voiced a concern for

walkers on the pathway. Mr. Brandeen suggested to wait and see what effect this will have on park pathway usage. Mr. Carlson suggested that a skateboard park might be a future need for the city.

Moved by Ms. Reid and seconded by Mr. Sochacki to recommend to the council to support the proposed skate board ordinance as it reads and to allow skateboarding on park pathways only, as long as participants follow established park ordinances.

Motion carried -

Aye: Grimes, Sochacki,
Reid, Saunders, Moucha,
Hoffmann.

Nay: Carlson.

Mr. Hoffman reported that the City Long Range Planning Commission did not meet.

Mr. Brandeen distributed copies of other cities' policy pertaining to usage of a community billboard.

Moved by Mr. Grimes and seconded by Ms. Reid to recommend to the council the following policy on the Becker Park signboard:

"All requests for messages on the City of Crystal Becker Park Public Notice Sign, including city departments, shall be submitted to the Park & Recreation Director in writing at least 15 days in advance of the scheduled event. Events will be prioritized and an effort will be made, subject to the priority and judgment of the city, to give community organizations as well as city functions the publicity for which the sign was intended. Notice of private activities, without a public purpose, and private business functions will not be displayed. No commercial or religious messages will be displayed."

Motion carried-unanimous.

The commission discussed the proposed park dedication ordinance.

Moved by Mr. Carlson and seconded by Ms. Saunders to recommend to the council that the following amounts be used in the park dedication ordinance:

Residential subdivisions - 10%

Commercial subdivisions - 10%

Industrial subdivisions - 10%

Motion carried-unanimous.

Mr. Brandeen asked the commission their intent to attend the MRPA Annual Conference in November. Three commissioners requested to attend, two will contact the department. Mr Brandeen will contact Ms. Veech and Ms. Pitts.

The November Park and Recreation Advisory Commission meeting will be held Wednesday, November 9 due to the MRPA Fall Conference and Bond Issue Public Meeting.

The Twin Oak Park Playground Equipment dedication will be held on Saturday October 15 from 11:30 a.m.-1 p.m. Park commissioners are asked to attend and help serve. Ms. Reid will distribute flyers in the neighborhood.

The commission discussed the commission by-laws concerning member attendance. The by-law states that a member is allowed 3 unexcused absences. Mr. Hoffmann will notify missing commission members of this policy and ask their intent to continue service. All commissioners are reminded to call the Park and Recreation Office if they cannot attend a monthly meeting.

Mr. Brandeen reported that he still has not received an answer from the bowling proprietors re: donation to activities or facilities.

Mr. Brandeen informed the commission of the status of the 1989 budget request. Playground equipment for nine areas remains in the budget request.

The commission decided to dedicate the Lions Valley Place playground equipment at the Winter Fun day in January 1989.

The meeting was adjourned at 9:21 p.m.

Respectfully submitted,

Gene Hackett
Recorder

Crystal Park & Recreation Department
Monthly Report
October 1988

*All numbers are individual registrations unless noted.

ON GOING PROGRAMS: October 1988

1. Senior Center Activities
-Senior Center Membership: 600. Daily attendance is 50-60.
2. Gymnastics (Youth/Weekday evenings: M,T,W)
-92 registered for fall session (1987: 93)/Classes meet at Sandburg.
3. Grade School Dance (Youth/Weekday evenings: Th)
-58 registered for fall session (1987: 38)/Classes meet at Forest.
4. Men's Volleyball League (Adult/Weekday evenings: M,Th)
-40 teams registered (1987: 35 teams)/League organized with Golden Valley and Robbinsdale/Matches played at: Sandburg, Lincoln and Robbinsdale High School.
5. Women's Volleyball league (Adult/Weekday evenings: T)
-27 teams registered (1987: 24 teams)/League organized with Golden Valley and Robbinsdale/Matches played at: Sandburg, Lincoln, and Meadowlake.
6. Co-Rec Volleyball League (Adult/Weekday evenings: W,S)
-41 teams registered (1987: 40 teams)/League organized with Golden Valley and New Hope/Matches played at Hosterman, Lincoln, Cooper and Robbinsdale High School.
7. Open Gym Volleyball (Adult/Weekday evening: W)
-25 registered (1987: 28)/Activity meets at Forest and moved to Noble.
8. Open Gym Basketball (Adult/Weekday evening: M)
-30 registered (1987: 25)/Activity meets at Neill.
9. Open Gym: Co-Rec Volleyball (Adult/Weekend Aft.: Sun.)
-18 registered (1987: 25)/Activity meets at Hosterman.
10. Kids Kapers (Pre-School/Weekend morning: Sat.)
-5 registered (1987: 10)/Activity met at City Hall/
Class included games, stories, and crafts.
11. Kids Cooking (Elementary Age/Weekend Aft.: Sat.)
-13 registered (1987: 13)/Activity met at City Hall.

12. Kids Halloween Party (K-Gr. 3: Sat. afternoon)
-80 registered (1987: 33)/Activity held at City Hall/
Activity included entertainment, games and lunch.
13. Teen Night (Junior High: Friday nights)
-275 attended dance at Hosterman.
14. Art Class (K-Gr. 6: Saturday afternoon)
-8 registered (1987: n/a) Class met at Becker Park.

ON GOING PROGRAMS:

1. Senior Center Activities
Welcome - 4
Cribbage - 28 to 44
OTLB - 47 attended outing to Kozlak's/Pine Tree Apple Orchard.

500 (day) - 32 to 72
500 (evening) - 20 to 40
Scrapbook - 4
Poker for Fun - 14 to 21
Bridge (day) - 32 to 60
Bridge (evening) - 20 to 40
Duplicate Bridge - 28 to 40
Special Events - Cookout - 40
Halloween Party - 200 (combined with Golden Valley & New Hope)

Golf Tournament - 42
2. Adult Activities
Over 50 and Fit: 7 (1987: 12)
3. Other Events (*Co-sponsored with other agencies)
*TMH-EMH
Friday Night Fever (TMH-EMH): 62 total/3-Crystal
Saturday Sunshine Kids (TMH): 9 total/1-Crystal
Bowling (TMH-EMH): 76 total/5-Crystal
Teen Action (EMH): 8 total/0-Crystal
Youth Connection (EMH): 12 total/1-Crystal
*Trippers
Gasthof: 80 attended/22 Crystal
*Breakaway
Minnesota Zephyr: 45 attended/110 from Crystal

PROGRAMS COMPLETED:

Soccer (1988: 100 registered/1987: 116 registered)

Objective: To teach the fundamentals of the sport with emphasis on participation.
Successes: Very balanced league. Combined with Robbinsdale. Good referees and coaches.
Problems: None encountered.
Recommendations: Continue league format. Evaluate age groups.

Flag Football (1988: 91 registered/1987: 112 registered)

Objective: To teach the fundamentals of the sport with emphasis on participation.
Successes: Balanced league. Good referees. Several coaches were Armstrong football players.
Problems: Registration down especially with 6th graders.
Recommendations: Evaluate age groups, possibly 2 & 3 graders and 4 & 5 graders.

Kids Kapers (1988: 5 registered/1987: 10 registered)

Objective: To provide a program for ages 4-6 with games, crafts and songs.
Successes: Excellent instructor. Kids had a great time.
Problems: None encountered.
Recommendations: Offer again at holiday time and in the spring.

Cooking for Kids (1988: 7 registered/1987: 13 registered)

Objective: To plan menus, prepare basic foods and learn kitchen safety.
Successes: Good instructor. Program included 2 participants with special needs, a real learning experience.
Problems: None encountered.
Recommendations: Offer program again in the spring.

Art Class (1988: 8 registered/1987: n/a)

Objective: To provide instruction in sketching, painting and other art mediums to children.
Successes: Instructor good, projects well liked.
Problems: None encountered.
Recommendations: Offer an early spring class.

14-Nov-88

CITY OF CRYSTAL
1988 EXPENDITURE REPORT OCTOBER 1988
C.ROBBE

NORMAL %=

83.33%

DEPARTMENT	#	BUDGET AMOUNT	PRIOR MONTH YTD EXPENSES	ENCUMBERANCES	CURRENT EXPENDITURES	TOTAL EXPENSES	RATIO	UNENCUMBERED BALANCE
Mayor & Council	10	\$97,800.00	\$80,827.25		\$3,433.02	\$84,260.27	86.2%	\$13,539.73
Administration	11	\$320,671.00	\$249,545.94	\$3,122.45	\$29,523.27	\$279,069.21	88.0%	\$38,479.34
Assessing	12	\$110,201.00	\$85,819.42	\$3.67	\$7,805.03	\$93,624.45	85.0%	\$16,572.88
Finance	13	\$119,526.00	\$82,063.46	\$335.55	\$8,023.88	\$90,087.34	75.7%	\$29,103.11
City Buildings	14	\$157,226.00	\$104,642.70	\$140.00	\$9,186.87	\$113,829.57	72.5%	\$43,256.43
Police	15	\$1,507,042.00	\$1,153,568.22	\$8,290.31	\$100,698.85	\$1,254,267.07	83.8%	\$244,484.62
Fire	16	\$235,055.00	\$114,951.73	\$1,805.54	\$22,836.18	\$137,787.91	59.4%	\$95,461.55
Planning & Inspection	17	\$95,869.00	\$73,730.79	\$526.50	\$8,768.65	\$82,499.44	86.6%	\$12,843.06
Civil Defense	18	\$55,183.00	\$36,331.55	\$86.45	\$2,169.76	\$38,501.31	69.9%	\$16,595.24
Engineering	19	\$207,276.00	\$157,885.48	\$314.42	\$16,484.65	\$174,370.13	84.3%	\$32,591.45
Street	20	\$441,105.00	\$308,423.39	\$9,150.27	\$37,571.85	\$345,995.24	80.5%	\$85,959.49
Park Maintenance	21	\$376,546.00	\$292,543.34	\$5,049.24	\$28,421.20	\$320,964.54	86.6%	\$50,532.22
Recycling	22	\$30,000.00	\$24,959.93		(\$3,312.13)	\$21,647.80	72.2%	\$8,352.20
Recreation	25	\$383,814.00	\$307,281.01	\$1,323.65	\$20,116.90	\$327,397.91	85.6%	\$55,092.44
Health	26	\$142,634.00	\$102,268.64	\$706.18	\$12,190.78	\$114,459.42	80.7%	\$27,468.40
Civil Service	27	\$18,950.00	\$7,414.27		\$602.92	\$8,017.19	42.3%	\$10,932.81
Legal	28	\$125,000.00	\$97,711.61		\$15,493.61	\$113,205.22	90.6%	\$11,794.78
Elections	29	\$19,000.00	\$4,946.00	\$230.00	\$166.00	\$5,112.00	28.1%	\$13,658.00
Misc Commissions	30	\$6,175.00	\$866.44		\$213.00	\$1,079.44	17.5%	\$5,095.56
Swimming Pool	31	\$74,122.00	\$59,409.05	\$167.90		\$59,409.05	80.4%	\$14,545.05
Non-Departmental	32	\$1,044,750.00	\$496,252.40	\$293.50	\$28,879.85	\$525,132.25	50.3%	\$519,324.25
Tree Disease	34	\$48,142.00	\$24,394.14		\$459.00	\$24,853.14	51.6%	\$23,288.86
TOTALS		\$5,616,087.00	\$3,865,836.76	\$31,545.63	\$349,733.14	\$4,215,569.90	75.6%	\$1,368,971.47
 Thorson-Fund #83		\$97,495.00	\$57,271.61	\$713.80	\$3,362.99	\$60,634.60	62.9%	\$36,146.60
 Utility Fund-#81								
Water	23	\$755,167.00	\$440,474.94	\$391.75	\$14,808.40	\$455,283.34	60.3%	\$299,491.91
Sewer	24	\$991,667.00	\$770,932.12	\$1,452.46	\$77,785.40	\$848,717.52	85.7%	\$141,497.02
TOTALS		\$1,746,834.00	\$573,573.22	\$1,844.21	\$92,593.80	\$1,304,000.86	74.8%	\$440,988.93

14-Nov-88

CITY OF CRYSTAL
C.ROBBESUMMARY OF REVENUES AS OF OCTOBER 31, 1988
NORMAL PERCENT=

83.33%

GENERAL FUND 01	ESTIMATED REVENUE	PRIOR MONTH YEAR TO DATE	RECEIPTS CURRENT MO	RECEIPTS YEAR TO DATE	PERCENTAGE RECEIVED
ADCT # TAXES					
3011 Current Ad Valorem Taxes	\$2,046,343.00	\$1,017,267.41	\$0.00	\$1,017,267.41	49.7%
3012 Delinq Ad Valorem Taxes	\$0.00	\$7,083.99	\$0.00	\$7,083.99	
3013 Penalties & Interest	\$9,000.00	\$5,521.15	\$0.00	\$5,521.15	61.3%
3014 Forfeited Tax Sale	\$0.00	\$123.96	\$0.00	\$123.96	
3015 Prepaid Special Assessments	\$0.00	\$0.00	\$0.00	\$0.00	
Sub Total	\$2,055,343.00	\$1,029,996.51	\$0.00	\$1,029,996.51	50.1%
LICENSES & PERMITS					
3111 Liquor License On Sale 06/30	\$49,500.00	\$28,210.00	\$0.00	\$28,210.00	57.0%
3112 Liquor Licenses Off Sale 06/30	\$1,600.00	\$1,768.00	\$133.36	\$1,901.36	118.8%
3113 Beer & Tavern Licenses 06/30	\$6,500.00	\$6,020.75	\$0.00	\$6,020.75	92.6%
3114 Club Licenses 06/30	\$2,600.00	\$1,910.00	\$0.00	\$1,910.00	73.5%
3115 Garbage & Refuse License 06/30	\$1,700.00	\$1,638.25	\$0.00	\$1,638.25	96.4%
3116 Taxi Cab Licenses	\$150.00	\$0.00	\$0.00	\$0.00	0.0%
3117 Music Box-Misc Amusements	\$9,500.00	\$490.25	\$104.50	\$594.75	6.3%
3118 Food Handling Licenses	\$12,500.00	\$3,642.00	\$33.00	\$3,675.00	29.4%
3119 Gas Pump & Station Licenses	\$1,700.00	\$159.50	\$8.48	\$167.98	9.9%
3121 Bowling Alley Licenses	\$600.00	\$0.00	\$0.00	\$0.00	0.0%
3123 Cigarette Licenses	\$900.00	\$67.00	\$0.00	\$67.00	7.4%
3124 Misc Licenses	\$1,200.00	\$847.06	\$30.25	\$877.31	73.1%
3125 Billboard-Sign Hangers License	\$1,000.00	\$1,045.00	\$0.00	\$1,045.00	104.5%
3126 Plumbing-Gas Licenses & Cards	\$4,800.00	\$3,098.00	\$191.50	\$3,289.50	68.5%
3127 Sign Licenses 05/15	\$9,500.00	\$9,988.79	\$0.00	\$9,988.79	105.1%
3128 Tree Trim Licenses	\$600.00	\$453.75	\$0.00	\$453.75	75.6%
3150 Dog Licenses & Impound Fees	\$6,500.00	\$3,761.00	\$263.50	\$4,024.50	61.9%
3151 Building Permits	\$78,000.00	\$60,681.57	\$4,033.05	\$64,714.62	83.0%
3153 Plumbing Permits	\$13,000.00	\$15,906.00	\$212.50	\$16,118.50	124.0%
3154 Sewer Permits	\$800.00	\$735.00	\$105.00	\$840.00	105.0%
3155 Water Permits	\$900.00	\$863.50	\$105.00	\$968.50	107.6%
3157 Driveway Permits	\$700.00	\$868.00	\$120.00	\$988.00	141.1%
3158 Street Excavation Permits	\$1,000.00	\$783.50	\$246.50	\$1,030.00	103.0%
3159 Misc Permits	\$0.00	\$149.00	\$35.00	\$184.00	
3161 Gas Permits	\$7,000.00	\$3,942.25	\$851.50	\$4,793.75	68.5%
3162 Burglar Alarm Permits 05/15	\$1,200.00	\$1,458.50	\$0.00	\$1,458.50	121.5%
3163 Mechanical Permits	\$11,000.00	\$9,979.12	\$1,022.75	\$11,001.87	100.0%
3164 Sign Permits	\$2,800.00	\$1,823.90	\$362.40	\$2,186.30	78.1%
3165 Parking Permits	\$0.00	\$30.00	\$0.00	\$30.00	
3166 Restaurant Hoods	\$1,000.00	\$1,100.00	\$100.00	\$1,200.00	120.0%
Sub Total	\$228,250.00	\$161,419.69	\$7,958.29	\$169,377.98	74.2%

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	ESTIMATED REVENUE	PRIOR MONTH YEAR TO DATE	RECEIPTS CURRENT MO	RECEIPTS YEAR TO DATE	PERCENTAGE RECEIVED
STATE SHARED TAXES					
3350 Local Government Aid	\$1,630,961.00	\$815,480.50	\$0.00	\$815,480.50	50.0%
3351 State Aid Streets	\$26,325.00	\$8,285.40	\$0.00	\$8,285.40	31.5%
3352 Machinery Tax Replacements	\$0.00	\$0.00	\$0.00	\$0.00	
Sub Total	\$1,657,286.00	\$823,765.90	\$0.00	\$823,765.90	49.7%
OTHER SERVICES					
3500 Misc Receipts	\$3,000.00	\$2,219.75	\$509.75	\$2,729.50	91.0%
3501 NWSCC and CAC	\$2,000.00	\$15,550.06	\$762.57	\$16,312.63	815.6%
3503 Bicycle License	0	\$452.00	\$12.00	\$464.00	
3511 Spec Rezoning App Charge	\$3,500.00	\$3,975.00	\$601.50	\$4,576.50	130.8%
3512 Sale of Maps-Documents etc	\$200.00	\$138.40	\$28.33	\$166.73	83.4%
3513 Engineering & Clerical Fees	\$50,000.00	\$0.00	\$0.00	\$0.00	0.0%
3514 Weed Cutting Charges	\$1,500.00	\$522.50	\$70.00	\$592.50	39.5%
3515 Filing Fees	\$0.00	\$35.00	\$0.00	\$35.00	
3516 License Investigations	\$500.00	\$400.00	\$0.00	\$400.00	80.0%
3517 Jail & Breathalyzer Tests	\$1,200.00	\$3,160.00	\$0.00	\$3,160.00	263.3%
3568 Accident Reports	\$1,000.00	\$1,213.80	\$180.50	\$1,394.30	139.4%
3569 Special Assessment Searches	\$5,000.00	\$3,219.50	\$202.00	\$3,421.50	68.4%
3570 Sanitarian Costs & Reimburse	\$131,653.00	\$59,319.39	\$0.00	\$59,319.39	45.1%
3571 Confiscated Funds	\$0.00	\$0.00	\$0.00	\$0.00	
3580 Recreation Program Receipts	\$105,765.00	\$91,315.16	\$26,949.58	\$118,264.74	111.8%
3581 Crystal Facilities Used	\$200.00	\$375.00	\$45.00	\$420.00	210.0%
3582 Non-Budget Account	\$0.00	\$98.93	(\$30.29)	\$68.64	
3586 Water Tests	\$500.00	(\$30.00)	\$95.00	\$65.00	
3587 Swimming Pool Receipts	\$36,490.00	\$53,544.84	\$1,140.00	\$54,684.84	149.9%
3590 Refunds & Reimbursements	\$71,500.00	\$4,582.80	\$0.00	\$4,582.80	6.4%
3591 Insurance Refunds	\$0.00	\$19,984.00	\$0.00	\$19,984.00	
3592 Misc Land & Equip Sales	\$25,000.00	\$6,036.51	\$2,750.00	\$8,786.51	35.1%
3593 Misc Transfers	\$0.00	\$0.00	\$0.00	\$0.00	
3594 Building Sub-Rental	\$400.00	\$270.00	\$180.00	\$450.00	112.5%
3595 Waste Oil Revenues	\$800.00	\$1,345.83	\$228.00	\$1,573.83	196.7%
3599 Interest Earned	\$160,000.00	\$0.00	\$0.00	\$0.00	0.0%
3610 Court Fines	\$225,000.00	\$136,652.28	\$18,201.00	\$154,853.28	68.8%
3611 Alarm Charges	\$0.00	\$1,500.00	\$350.00	\$1,850.00	
3612 Alarm Penalties	\$0.00	\$12.50	\$2.50	\$15.00	
3630 Forfeited Bail	\$0.00	\$2,630.00	\$550.00	\$3,180.00	
3772 Donations		\$957.50	\$370.00	\$1,327.50	
Previous Yr Fund Balance	\$850,000.00	\$850,000.00		\$850,000.00	
Sub Total	\$1,675,208.00	\$1,259,480.75	\$53,197.44	\$1,312,678.19	78.4%
TOTAL	\$5,616,087.00	\$1,929,693.14	\$61,155.73	\$3,335,818.58	59.4%

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	FUND #83 THORSON SCHOOL	ESTIMATED REVENUE	PRIOR MONTH YEAR TO DATE	RECEIPTS CURRENT MO	RECEIPTS YEAR TO DATE	PERCENTAGE RECEIVED
3500	Miscellaneous Receipts	\$0.00	\$0.00		\$0.00	
3580	Recreation Program Receipts	\$23,060.00	\$15,968.91	\$1,676.50	\$17,645.41	76.5%
3582	Non-Budget Activities	\$0.00	\$0.00	\$0.00	\$0.00	
3590	Refunds & Reimbursements	\$0.00	\$39.55	\$0.00	\$39.55	
3770	Office Rental	\$46,149.30	\$20,958.24	\$135.13	\$21,093.37	45.7%
3771	Gym Rental	\$763.50	\$880.00	\$0.00	\$880.00	115.3%
3772	Donations		\$0.00	\$0.00	\$0.00	
	TOTAL	\$69,972.80	\$37,846.70	\$1,811.63	\$39,658.33	56.7%
FUND #81 UTILITY FUND						
3500	Miscellaneous Receipts			\$0.00		
3599	Interest Earned	\$20,000.00		\$0.00		
3739	Misc Income-Water	\$2,500.00	\$2,354.07	\$33.87	\$2,387.94	95.5%
3740	Water Sales	\$790,000.00	\$709,168.00	\$66,778.04	\$775,946.04	98.2%
3741	Penalties Earned-Water	\$13,800.00	\$12,640.28	\$2,604.62	\$15,244.90	110.5%
3742	Sales of Meters-Horns	\$8,000.00	\$3,023.12	\$295.00	\$3,318.12	41.5%
3743	Joint Water Comm Reimb	\$10,000.00	\$17,163.41	\$0.00	\$17,163.41	171.6%
3744	Metro Waste Reimburse	\$5,500.00	\$0.00	\$0.00	\$0.00	0.0%
3759	Misc Income-Sewer	\$2,500.00	\$0.00	\$0.00	\$0.00	0.0%
3760	Sewer Service Revenue	\$1,010,000.00	\$680,043.19	\$61,824.44	\$741,867.63	73.5%
3761	Penalties Earned-Sewer	\$17,000.00	\$14,383.43	\$2,288.59	\$16,672.02	98.1%
	TOTAL	\$1,879,300.00	\$1,438,775.50	\$133,824.56	\$1,572,600.06	83.7%
FUND #82 STREET LIGHTING						
3764	Street Lighting Revenue	\$102,560.00	\$58,337.76	\$7,248.07	\$65,585.83	63.9%
3765	Penalties Earned	\$2,000.00	\$1,199.26	\$203.88	\$1,403.14	70.2%
	TOTAL	\$104,560.00	\$59,537.02	\$7,451.95	\$66,988.97	64.1%