



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

## **Copyright Notice:**

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit [www.mnhs.org/copyright](http://www.mnhs.org/copyright).

Starlene

# COUNCIL AGENDA

December 13, 1988

Pursuant to due call and notice thereof, the Regular meeting of the Crystal City Council was held on December 13, 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

A Herbes

P Moravec

A Rygg

P Langsdorf *arrived 7:45 p.m.*

P Aaker

P Leppa

P Smothers

## Staff

P Dulgar

P Olson

P Kennedy

P Monk

A Peterson

P George

P Miles Johnson

P Edward Branden

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 29, 1988.

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

\_\_\_\_\_ to) the minutes of the Regular City Council meeting of November 29, 1988.

Motion Carried.



CONSENT AGENDA

1. Consideration of the resignation letter of John Hawk from the Environmental Quality Commission dated 11-16-88.
2. Consideration of the resignation letter of Garry Grimes from the Park & Recreation Advisory Commission dated 12-8-88.
3. Set public hearing for January 3, 1989 to consider an off-sale liquor license application for Melvin D. Henry at 2728 Douglas Drive North (Stephen's Liquor).
4. Set public hearing for January 3, 1989 to consider Variance Application #88-58 for an addition to the existing garage which will encroach 14'6" in the required 40' rear yard setback to build a 10'6" x 23' addition to the existing garage at 3949 Hampshire Avenue North as requested by Don Lee.
5. Consideration of an application for a one-day temporary on-sale liquor license for Knights of Columbus, 4947 West Broadway, on February 1, 1989.

6. *Consideration of the resignation of Elmer G. Carlson from the Park & Recreation Advisory Commission effective 12-31-88.*

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

Motion Carried.

Moved by Councilmember Am and seconded by Councilmember Leppa 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 preliminary plat approval of Chalet Acres located at 3359 Vera Cruz Avenue North as submitted by Chalet Ski & Patio. The Mayor asked those present to voice their opinions or to ask questions concerning this matter. Those present and heard were:

**The Mayor closed the Public Hearing.**

Moved by Councilmember Leppa and seconded by Councilmember Mar to (approve as recommended by the City Engineer) (deny) (continue until \_\_\_\_\_ the discussion of) preliminary plat approval of Chalet Acres located at 3359 Vera Cruz Avenue North as submitted by Chalet Ski & Patio.

Motion Carried.

2. 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 application for an off-sale liquor license at 5600 Bass Lake Road. The Mayor asked those present to voice their opinions or to ask questions concerning this matter. Those present and heard were: *Jerome Haluk, applicant*

*Patrick Ryan, 5607 Vera Cruz Ave. No.*

*Anthony Guenther, 5568 Xenia Ave. No.*

*Sm to continue item to the next Council meeting to allow applicant to confer with the Police Chief and to act on the item when all Councilmembers were present.*

*Motion failed for lack of a second.*

**The Mayor closed the Public Hearing.**

Moved by Councilmember *Leppa* and seconded by Councilmember *Mar* to (approve) (deny) (continue until \_\_\_\_\_ the discussion of) an application for an off-sale liquor license at 5600 Bass Lake Road. *Res. No 88-79*

*Res. Denying approval of an off-sale liquor license at 5600 B.L.R. for*  
Roll call: Aye: *Mar, Leppa, Aaker* (Motion Carried) *Jerome Haluk*

Absent: *Herkes, Rygg, Langsdorf*

Abstain: *Smother*

*Prepare Res. of denial  
(Confer w/ City Attorney)*

*Item #12 Next*

**REGULAR AGENDA**

2. The City Council considered applications for appointment to the Environmental Quality Commission from Ryan R. Schroeder, 3356 Utah Avenue North, and Jerome Farrell, 2908 Jersey Avenue North, for terms expiring December 31, 1988 and December 31, 1990.

*Jerome Farrell appeared and was heard.  
Ryan R. Schroeder could not appear due to a meeting conflict.*

Moved by Councilmember Lyppa and seconded by Councilmember Sm. to appoint Ryan R. Schroeder to the Environmental Quality Commission for an unexpired term expiring December 31, 1988 and Jerome Farrell to the Environmental Quality Commission for an unexpired term expiring December 31, 1990.

Motion Carried.

3. The City Council considered an application for appointment to the Human Relations Commission from Barbara McMahon, 3543 Lee Avenue North, for an unexpired term expiring December 31, 1989. *Barbara McMahon appeared and was heard.*

Moved by Councilmember Mar and seconded by Councilmember Sm to appoint Barbara McMahon to the Human Relations Commission for an unexpired term expiring December 31, 1989.

Motion Carried.

- 4.3. The City Council considered a lease agreement with Norling Motors for public property at 5548 Lakeland Avenue North.

*Gunnar Norling appeared and was heard.*

\* Councilmember Longdary arrived (7:45 p.m.)

*Leppa/Longdary to accept the lease agreement with Norling Motors for public property at 5548 Lakeland Ave. No. 1. as presented with the exception of the rental payment. The lease term at the end of the fourth year shall be \$18,000 rather than \$12,000, and further, to authorize Mayor and City Mgr. to sign such agreement.*

*Motion Carried*

Moved by Councilmember \_\_\_\_\_ and seconded by Councilmember \_\_\_\_\_ to (approve) (deny) (continue until \_\_\_\_\_ the discussion of) a lease agreement with Norling Motors for public property at 5548 Lakeland Avenue North, and further to authorize the Mayor and City Manager to sign such agreement.

Motion Carried.



- 5.4. The City Council considered a complaint against Ceres Tree Company as submitted by residents in the 8300, 8400 and 8500 blocks of 33rd Avenue North. Those appearing and heard were:

John Dreier, 8401-33<sup>rd</sup> Ave. No.  
 Bob Leonardson, 8425-33<sup>rd</sup> Ave. No.  
 David Aistel, 8317-33<sup>rd</sup> Ave. No.  
 Dave Stedje, 8509-33<sup>rd</sup> Ave. No.

Leppa/Mor that the City does not pay Ceres Tree Company for work performed, that the City hire another company to properly prune and fertilize in the spring and <sup>ask</sup> charge the ~~Ceres~~ Tree Co. for the work, and hold the performance bond and notify the bonding company that there could be a claim if the trees die. Motion Carried

City Mgr - check performance bond and report back to Council

- 6.5. The City Council considered Tax-forfeiture Sale of Six Parcels in Crystal as proposed by Hennepin County.

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

#### RESOLUTION NO. 88-81

#### CONVEYANCE OF TAX FORFEITED LANDS

By roll call and voting aye: Mor, Larp, Aaker, Sm, Leppa,  
 voting no: \_\_\_\_\_; absent, not  
 voting: Rygg, Derbes, \_\_\_\_\_.

Motion carried, resolution declared adopted.

- 7.8. The City Council considered a Resolution of Agreement with the Minnesota Department Of Transportation Related to Federal Aid Highway Projects.

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

RESOLUTION NO. 88-82

MINNESOTA DEPARTMENT OF TRANSPORTATION  
FEDERAL AID FORM NO. III

By roll call and voting aye: Mar, Lange, Aeku, Sm, Leppa,  
voting: Herkas, Rygg, \_\_\_\_\_; voting no: \_\_\_\_\_; absent, not

Motion carried, resolution declared adopted.

- 8.7. The City Council discussed changes in an Ordinance Amending Crystal City Code, Section 425, Regarding Housing Maintenance.

*No action needed.*



9. ~~8~~. The City Council considered the First Reading of an Ordinance regarding Pawn Shops in the City of Crystal.

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

ORDINANCE NO. 88-

AN ORDINANCE RELATING TO PAWNBROKERS  
AND SECONDHAND GOODS DEALERS: AMENDING  
CRYSTAL CITY CODE, CHAPTER XI BY ADDING A SECTION

and further, that the second and final reading be held on January 3, 1989.

Motion Carried.

10. ~~9~~. The City Council discussed the composition of a committee to continue the space needs study for Crystal City Hall. *By common consent of the Council it was decided that should be brought up at a later date.*

11. 10. The City Council discussed a request from LaPepiniere Montessori Schools for consideration of space in the new Crystal Community Center. *It was the consensus of the Council that the City should not rent space in the new Crystal Community Center.*

*Recess 8:58<sup>PM</sup> - Reconvened 9:11 PM.*

12. 11. The City Council considered salaries ~~and benefits~~ for non-union employees for the year 1989.

*Mr/Sm to accept the salary proposal for non-union employees for 1989 as presented by the City Mgr:*

*List positions, rates + salaries  
as in 1988 minutes (1-19-88)*

*Motion Carried*

13. The City Council considered the transfer of funds. The Finance Director gave a report to the Council.

*Leppa/Sm to adopt the following resolution etc. ....*

*Resolution No. 88-83*

*A Resolution Transferring Funds*

*By roll call: aye: Mor, Lango, Aaker, Sm, Leppa; absent, not voting: Herkes, Rygg.*

*Motion carried, resolution declared adopted.*

14. The City Council considered the City of Crystal Dependent Care Assistance Plan.

*Leppa/Lango to adopt the following resolution etc. ....*

*Resolution No. 88-84*

*A Resolution Adopting The City Of Crystal  
Dependent Care Assistance Plan*

*By roll call: aye: Mor, Lango, Aaker, Leppa, Sm; absent, not voting: Rygg, Herkes.*

*Motion carried, resolution declared adopted.*

15. The City Council discussed the 1989 Contract ~~offer~~ the City Mgr.

*Mr/Leppa to set the City Mgr's salary at \$45,750 and increase the City's contribution to deferred Compensation to \$4,000 for the year 1989. Motion Carried*

11. 22. The City Council considered a resolution giving authorization to sell General Obligation Bonds in the amount of \$2,000,000 for the Community Center.

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

RESOLUTION NO. 88-80

RESOLUTION PROVIDING FOR THE ISSUANCE  
AND SALE OF \$2,000,000 GENERAL OBLIGATION  
COMMUNITY CENTER BONDS, SERIES 1989A

By roll call and voting aye: Mor., Leppa, Aaker, Sm., Leppa,  
voting: Leppa, Rygg, Largo; voting no: \_\_\_\_\_; absent, not

Motion carried, resolution declared adopted.

OPEN FORUM

INFORMAL DISCUSSION AND ANNOUNCEMENTS

Councilmember Moraine ~~presented~~ read a resolution honoring <sup>Mayor</sup> ~~Thomas~~ Aaker,  
Mor/Leppa to adopt the following resolution:  
Res. No. 88-85

A Resolution Honoring Thomas M. Aaker

By roll call and voting aye: Mor., Largo, Sm., Leppa; abstaining: Aaker  
Motion carried, resolution declared adopted

Moved by Councilmember Sm and seconded by Councilmember Lengua to approve the list of license applications.  
Motion Carried.

Moved by Councilmember Sm and seconded by Councilmember Lengua to adjourn the meeting.  
Motion Carried.

Meeting adjourned at 9:30 p.m.



### 1989 License Renewals

CIGARETTES: \$12:00 ea. machine and/over counter sales

Chalet Liquors, Inc., 5301 - 36th Ave. North

Handy Superette, Inc. dba Adair Liquors, 6001 - 42nd Ave. North

Gary Paulsen dba Louie's Liquors, Inc., 4920 W. Broadway

Five Star Vending at Timesave's, 5370 Hanson Court

Shinder's (Crystal Gallery), 5546 W. Broadway

LuVerne Klinkner dba Douglas Drive Servicenter, 3401 Douglas Drive

Raymond Hawk dba Eggie's Breakfast, 6418 Bass Lake Rd.

Jack's Superette, 7200 - 56th Ave. North

Medical Center Pharmacy, 5640 W. Broadway

Glen's Purity Dairy Store, 4800 Idaho Ave. North

Jeffrey Carlson for Knights of Columbus, 4947 W. Broadway

Theisen Vending Co. (for Ground Round), 6830 Bass Lake Road

L.J.B., Inc. dba Paddock Bar & Lounge, 5440 Ave. North

Highway 169 & Embers, 5756 Lakeland Ave. North

MUSIC BOX: \$20.00 each box

L.J.D., Inc. dba Paddock Bar & Lounge, 5540 Lakeland Ave. North

MECHANICAL AMUSEMENT DEVICES: \$104.50 each machine

Theisen Vending Company for Ground Round, 6830 Bass Lake Road

B & K Music & Sales for Douglas Bowling & Lounge, 5000 W. Broadway

APPLICATIONS FOR LICENSE

December 13, 1988

SIGN HANGING LICENSE - \$66.00

Kaufman Sign Company, 515 Washington Ave. N. Mpls., MN 55401

PLUMBING LICENSE - \$30.25

K's Mechanical & Excavating, 20880 Northern Blvd., Elk River,  
MN 55330

GAS FITTERS LICENSE - \$30.25

Comfort Mechanical, 4721 33rd Ave. N., Golden Valley, MN 55422

LICENSE RENEWALS

PLUMBING LICENSE - \$30.25

Plymouth Plumbing, 14228 23rd Ave. N., Plymouth, MN 55441

Harris Mechanical Contracting, 2330 Territorial Road,  
St. Paul, MN 55114

Voss Plumbing, 11348 K-Tel Drive, Minnetonka, MN 55434

GAS FITTERS LICENSE - \$30.25

American Burner Service, Inc., 601 N. Prior Ave., St. Paul, MN 55104

Able Mechanical Services, 8701 Hillswick Tr., Brooklyn Park, MN 55443

Harriss Mechanical Contracting, 2230 Territorial Rd., St. Paul, MN  
55114

Fred Vogt & Co., 3260 Gorham Ave., Mpls., MN 55426

Quality Air Inc., 7907 5th St. NE, Spring Lake Park,, MN 55432

Yale, Inc., 9649 Girard Ave. S., Mpls., MN 55431

Marsh Heating & Air, 6248 Lakeland Ave. N., Brooklyn Park, MN 55428

TAVERN LICENSE \_ \$522.50)

Godfather's Pizza, 99 Willow Bend, Crystal, MN 55428  
(\$435.50 pro-rated from 9-88 thru 6-89 @ \$43.55 per mo.)



APPLICATIONS FOR LICENSE

DECEMBER 13, 1988

FOOD ESTABLISHMENT - Restaurant (\$150 with QA Plan + \$30 ea. addnl fac.  
\$220. w/o QA Plan + \$40 ea. addnl fac.)

Eggies Breakfast, 6418 56th Ave. No.  
Embers, 5756 Lakeland Ave. No.  
Godfather's Pizza, 99 Willow Bend

FOOD ESTABLISHMENT - Retail (\$100 with QA Plan + \$30. ea. addnl fac.  
\$170 w/o QA Plan + \$40. ea. addnl fac.)

Glen's Dairy Store, 4800 Idaho Ave. No.  
Jack's Superette, 7200 56th Ave. No.

FOOD ESTABLISHMENT - Special Food Handling (\$35.00)

Liquor Barrel, 2728 Douglas Drive  
Louie's Liquors Inc., 4920 West Bdwy.  
Medical Center Pharmacy, 5640 West Bdwy.  
Paddock Bar & Lounge, 5540 Lakeland Ave. No.  
Shinders, 5546 West Bdwy.

FOOD ESTABLISHMENT - Church (exempt)

Church of the Open Door, 6421 45th Ave. No.  
Crystal Assemblies of God Church, 4110 Douglas Drive  
Trinity Covenant Church, 3733 Vera Cruz Ave. No.

KENNEL - Commercial (\$50.00)

Alive N Kicking Pet Shop, 5550 West Bdwy.

KENNEL - Private (\$30.00)

Gail Towers, 3110 Jersey Ave. No.  
Linda Haagenstad, 4361 Welcome Ave. No.

VENDING - Perishable (\$15.00 ea. machine)

Five Star Vending at Time Savers, 5270 Hanson Ct.  
Twin City Vending at Crystal Care Center, 3245 Vera Cruz No.

VENDING - Bulk (\$27.50)

Theisen VEnding Co. at Crystal Super Valu and #125 Tom Thumb

VENDING - Nonperishable (\$8.75 1st machine + \$4.50 ea. addnl mach.  
in same location)

Twin City Vending at Crystal Care Center, 3245 Vera Cruz No.

Knights of Columbus #3656, 4947 W. Broadway

GASOLINE STATION: \$36.25 station + \$7.25 ea. hose  
connection

Crystal Skyways, Inc. at Crystal Airport

Luverne L. Klinkner dba Douglas Drive Servicenter,  
3401 Douglas Drive

PRIVATE GAS DISPENSING: \$14.25 1st hose + \$7.25 ea.  
addn'l hose

Metropolitan Airports Commission at Crystal Airport,  
Timesaver's Inc., 5270 Hanson Court

DEALER IN SECOND HAND GOODS: \$44.00 per year

Mary Lindner, Owner, The Clothes Exchange, 2712 Douglas  
Drive

POOL TABLE: \$10.50 per table

Jeffrey Carlson for Knights of Columbus, 4947 W.  
Broadway

#### NEW LICENSE

CIGARETTES: \$12.00 ea. machine and/over counter sales

Lamplighter Liquor Barrel, Inc., 2728 Douglas Drive  
North

Sent with Preliminary Agenda on December 9, 1988:

Minutes of the 11-29-88 City Council meeting.  
Planning Commission Agenda of 12-12-88.  
Letter from John W. Hawk dated 11-16-88 resigning  
from the Environmental Quality Commission.  
Letter of resignation from the Park & Recreation  
Advisory Council dated 12-8-88 from Garry Grimes.  
Application for a 1-3 day temporary on-sale liquor  
license from Knights of Columbus, 4947 W. Broadway.  
Memo from City Engr. dated 11-7-88 re: Preliminary  
Plat of Chalet Acres.  
Application for off-sale intoxicating liquor  
license of Jerome Halek.  
Applications for appointment to the Environmental  
Quality Commission from Ryan R. Schroeder, 3356 Utah  
and Jerome Farrell, 2908 Jersey Ave. No.  
Application of Barbara McMahon for appointment to  
the Human Relations Commission.  
Memo from City Engr. dated 12-5-88 re: Norling  
Motors Lease.  
Memo from City Clerk dated 12-8-88 and letter from  
concerned citizens dated 12-6-88 re: Ceres Tree Co.  
Memo from City Engr. dated 12-5-88 re: tax forfeited  
property.  
Memo from City Engr. dated 12-7-88 re: MNDot Federal  
Aid Agreement.  
Memo from Bldg. Inspector dated 12-2-88 re: Inspec-  
tion with State Boiler Inspector at 6400 - 27th  
Ave. No. (Douglas Court Apts.).  
Letter from City Attorney dated 12-9-88 re: pawn-  
broker ordinance; copy of proposed ordinance.  
Letter from LaPepiniere Montessori Schools dated  
11-14-88 re: space in the new community center.  
Memo from Asst. City Mgr. dated 12-8-88 re: 1989  
Salary Recommendations.  
Letter dated 12-9-88 from City Attorney re: General  
Obligation Community Center Bonds; copy of resolution.  
Recommendations for General Obligation Community  
Center Bonds from Springsted, Incorporated dated  
12-8-88.  
Letter from Springsted, Inc. dated 12-5-88 re:  
\$2,000,000 General Obligation Community Center Bonds.  
Application for a tavern license for Godfather's  
Pizza (sold by Pillsbury Co.).  
Notice of Metropolitan Council Public Meetings.  
Overview Hennepin County Resource Recovery Project  
Transfer Stations Draft Supplemental Environmental

Impact Statement.

Action Needed Memo from the November 15, 1988 Council Meeting.

Memo from City Clerk dated 12-8-88 re: Charitable Gambling Reports.

Crystal Park & Recreation Advisory Commission minutes of November 9, 1988.

Crystal Park & Recreation Dept. monthly report for November, 1988.

Included with the Agenda on 12-13-88:

Memo from City Mgr. dated 12-8-88 re: Manager's Contract.

Map of the proposed trail corridor around Twin Lakes.

Memo from City Engr. dated 12-12-88 re: status of site improvement agreements.

Letter of resignation of Elmer Q. Carlson from the Park & Rec. Advisory Commission dated 12-13-88.

Copy of City of Crystal Fund Transfers.

December 9, 1988

TO: City of Crystal Councilmembers  
FROM: John Olson, Assistant City Manager  
RE: Preliminary Agenda for the December 13, 1988  
Council Meeting

Jerry is spending an extra day in Illinois with his family before coming back from the conference in Boston and has asked me to put together the preliminary agenda. I will only comment on a few items since many are self-explanatory and will be explained on Tuesday night.

REGULAR AGENDA

4. Consideration of a complaint against Ceres Tree Company as submitted by residents in the 8300, 8400 and 8500 blocks of 33rd Avenue North. Jerry has received numerous complaints from residents in this area regarding the work of Ceres Tree Company on trimming of public property trees. Ed Brandeen has been working on this issue and will have a report to Jerry on Monday with some recommendations or comments. I believe Jerry then can discuss this with you after the Council has heard the complaints of the residents.
7. Discussion of changes in Ordinance Amending Crystal City Code, Section 425, Regarding Housing Maintenance. The staff has been discussing this item while Jerry and several members of the Council have been in Boston and has some recommendations regarding the Housing Maintenance Code. I will be reviewing them with him on Monday and we will pass along to you the results of those conversations.
11. Consideration of salaries for non-union employees' salaries and benefits for 1989. Jerry has indicated that he will also have a short cover memo which he will put together on Monday regarding non-union employees' salaries.
12. Consideration of a resolution giving authorization to sell General Obligation Bonds of \$2,000,000 for the Community Center. Dave MacGillivray will appear to discuss the selling of bonds for the Community Center and have some recommendations for you in addition to the material sent out in the packet.



These comments have been short because I believe most of this can be explained easily through the attached material and discussion Tuesday night.

Have a good weekend! See you on Tuesday at the meeting.

J O H N



COUNCIL AGENDA - SUMMARY

COUNCIL MEETING OF DECEMBER 13 1988

Call to order

Roll call

Pledge of Allegiance to the Flag

Approval of the minutes of the meeting of November 29, 1988.

**Consent Agenda Items**

1. Consideration of resignation letter from John Hawk from the Environmental Quality Commission dated 11-16-88.
2. Consideration of resignation letter of Garry Grimes from the Park & Recreation Advisory Commission dated 12-8-88.
3. Set public hearing for January 3, 1989 to consider an off-sale liquor license application for Melvin D. Henry at 2728 Douglas Drive North (Stephen's Liquor).
4. Set public hearing for January 3, 1989 to consider Variance Application #88-58 for an addition to the existing garage which will encroach 14'6" in the required 40' rear yard setback to build a 10'6" x 23' addition to the existing garage at 3949 Hampshire Avenue North as requested by Don Lee.
5. Consideration of an application for a one-day temporary on-sale liquor license for Knights of Columbus, 4947 West Broadway, on February 1, 1989.

**Public Hearings**

1. Public hearing to consider preliminary plat approval of Chalet Acres located at 3359 Vera Cruz Avenue North.
2. Public hearing to consider an application for an off-sale liquor license at 5600 Bass Lake Road.

**Regular Agenda Items**

1. Consideration of applications for appointment to the Environmental Quality Commission from Ryan R. Schroeder, 3356 Utah Avenue North, and Jerome

Farrell, 2908 Jersey Avenue North, for terms  
expiring December 31, 1988 and December 31, 1990.

2. Consideration of an application for appointment to the Human Relations Commission from Barbara McMahon, 3543 Lee Avenue North, for an unexpired term expiring December 31, 1989.
3. Consideration of lease agreement with Norling Motors for public property at 5548 Lakeland Avenue North.
4. Consideration of a complaint against Ceres Tree Company as submitted by residents in the 8300, 8400 and 8500 blocks of 33rd Avenue North.
5. Consideration of Tax-forfeiture Sale of Six Parcels in Crystal as proposed by Hennepin County.
6. Consideration of a Resolution of Agreement with MNDOT Related to Federal Aid Highway Projects.
7. Discussion of changes in Ordinance Amending Crystal City Code, Section 425, Regarding Housing Maintenance.
8. Consideration of the First Reading of an Ordinance regarding Pawn Shops in the City of Crystal.
9. Discussion of composition of committee to continue space needs study.
10. Discussion of LaPepiniere Montessori Schools considering space in the new Community Center.
11. Consideration of salaries for non-union employees' salaries and benefits for 1989.
12. Consideration of a resolution giving authorization to sell General Obligation Bonds of \$2,000,000 for the Community Center.

Open Forum

Informal Discussion and Announcements

Licenses

Adjournment

### 1989 License Renewals

CIGARETTES: \$12:00 ea. machine and/over counter sales

Chalet Liquors, Inc., 5301 - 36th Ave. North

Handy Superette, Inc. dba Adair Liquors, 6001 - 42nd Ave. North

Gary Paulsen dba Louie's Liquors, Inc., 4920 W. Broadway

Five Star Vending at Timesave's, 5370 Hanson Court

Shinder's (Crystal Gallery), 5546 W. Broadway

LuVerne Klinkner dba Douglas Drive Servicenter, 3401 Douglas Drive

Raymond Hawk dba Eggie's Breakfast, 6418 Bass Lake Rd.

Jack's Superette, 7200 - 56th Ave. North

Medical Center Pharmacy, 5640 W. Broadway

Glen's Purity Dairy Store, 4800 Idaho Ave. North

Jeffrey Carlson for Knights of Columbus, 4947 W. Broadway

Theisen Vending Co. (for Ground Round), 6830 Bass Lake Road

L.J.B., Inc. dba Paddock Bar & Lounge, 5440 Ave. North

Highway 169 & Embers, 5756 Lakeland Ave. North

MUSIC BOX: \$20.00 each box

L.J.D., Inc. dba Paddock Bar & Lounge, 5540 Lakeland Ave. North

MECHANICAL AMUSEMENT DEVICES: \$104.50 each machine

Theisen Vending Company for Ground Round, 6830 Bass Lake Road

B & K Music & Sales for Douglas Bowling & Lounge, 5000 W. Broadway



APPLICATIONS FOR LICENSE

December 13, 1988

SIGN HANGING LICENSE - \$66.00

Kaufman Sign Company, 515 Washington Ave. N. Mpls., MN 55401

PLUMBING LICENSE - \$30.25

K's Mechanical & Excavating, 20880 Northern Blvd., Elk River,  
MN 55330

GAS FITTERS LICENSE - \$30.25

Comfort Mechanical, 4721 33rd Ave. N., Golden Valley, MN 55422

LICENSE RENEWALS

PLUMBING LICENSE - \$30.25

Plymouth Plumbing, 14228 23rd Ave. N., Plymouth, MN 55441

Harris Mechanical Contracting, 2330 Territorial Road,  
St. Paul, MN 55114

Voss Plumbing, 11348 K-Tel Drive, Minnetonka, MN 55434

GAS FITTERS LICENSE - \$30.25

American Burner Service, Inc., 601 N. Prior Ave., St. Paul, MN 55104

Able Mechanical Services, 8701 Hillswick Tr., Brooklyn Park, MN 55443

Harriss Mechanical Contracting, 2230 Territorial Rd., St. Paul, MN  
55114

Fred Vogt & Co., 3260 Gorham Ave., Mpls., MN 55426

Quality Air Inc., 7907 5th St. NE, Spring Lake Park,, MN 55432

Yale, Inc., 9649 Girard Ave. S., Mpls., MN 55431

Marsh Heating & Air, 6248 Lakeland Ave. N., Brooklyn Park, MN 55428

TAVERN LICENSE - \$522.50)

Godfather's Pizza, 99 Willow Bend, Crystal, MN 55428  
(\$435.50 pro-rated from 9-88 thru 6-89 @ \$43.55 per mo.)

APPLICATIONS FOR LICENSE

DECEMBER 13, 1988

FOOD ESTABLISHMENT - Restaurant (\$150 with QA Plan + \$30 ea. addnl fac.  
\$220. w/o QA Plan + \$40 ea. addnl fac.)

Eggies Breakfast, 6418 56th Ave. No.  
Embers, 5756 Lakeland Ave. No.  
Godfather's Pizza, 99 Willow Bend

FOOD ESTABLISHMENT - Retail (\$100 with QA Plan + \$30. ea. addnl fac.  
\$170 w/o QA Plan + \$40. ea. addnl fac.)

Glen's Dairy Store, 4800 Idaho Ave. No.  
Jack's Superette, 7200 56th Ave. No.

FOOD ESTABLISHMENT - Special Food Handling (\$35.00)

Liquor Barrel, 2728 Douglas Drive  
Louie's Liquors Inc., 4920 West Bdwy.  
Medical Center Pharmacy, 5640 West Bdwy.  
Paddock Bar & Lounge, 5540 Lakeland Ave. No.  
Shinders, 5546 West Bdwy.

FOOD ESTABLISHMENT - Church (exempt)

Church of the Open Door, 6421 45th Ave. No.  
Crystal Assemblies of God Church, 4110 Douglas Drive  
Trinity Covenant Church, 3733 Vera Cruz Ave. No.

KENNEL - Commercial (\$50.00)

Alive N Kicking Pet Shop, 5550 West Bdwy.

KENNEL - Private (\$30.00)

Gail Towers, 3110 Jersey Ave. No.  
Linda Haagenstad, 4361 Welcome Ave. No.

VENDING - Perishable (\$15.00 ea. machine)

Five Star Vending at Time Savers, 5270 Hanson Ct.  
Twin City Vending at Crystal Care Center, 3245 Vera Cruz No.

VENDING - Bulk (\$27.50)

Theisen Vending Co. at Crystal Super Valu and #125 Tom Thumb

VENDING - Nonperishable (\$8.75 1st machine + \$4.50 ea. addnl mach.  
in same location)

Twin City Vending at Crystal Care Center, 3245 Vera Cruz No.

Knights of Columbus #3656, 4947 W. Broadway

GASOLINE STATION: \$36.25 station + \$7.25 ea. hose  
connection

Crystal Skyways, Inc. at Crystal Airport

Luverne L. Klinkner dba Douglas Drive Servicenter,  
3401 Douglas Drive

PRIVATE GAS DISPENSING: \$14.25 1st hose + \$7.25 ea.  
addn'l hose

Metropolitan Airports Commission at Crystal Airport,  
Timesaver's Inc., 5270 Hanson Court

DEALER IN SECOND HAND GOODS: \$44.00 per year

Mary Lindner, Owner, The Clothes Exchange, 2712 Douglas  
Drive

POOL TABLE: \$10.50 per table

Jeffrey Carlson for Knights of Columbus, 4947 W.  
Broadway

#### NEW LICENSE

CIGARETTES: \$12.00 ea. machine and/over counter sales

Lamplighter Liquor Barrel, Inc., 2728 Douglas Drive  
North



November 29, 1988

page 348

Pursuant to due call and notice thereof, the Regular meeting of the Crystal City Council was held on November 29, 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 Dular, City Manager; John Olson, Assistant City Manager; David Kennedy, City Attorney; William Monk, Public Works Director; Donald Peterson, Building Inspector; Darlene George, City Clerk; Julie Jones, Recycling Coordinator; Jeanne Fackler, Recreation Supervisor.

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 November 15, 1988.

Moved by Councilmember Herbes and seconded by Councilmember Smothers to approve the minutes of the Regular City Council meeting of November 15, 1988.

Motion Carried.

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

1. Consideration of a Charitable Gambling license for Cavanagh Early Childhood Center to hold a raffle at 5400 Corvallis Avenue North to raise funds for playground equipment.
2. Consideration of a Charitable Gambling license application renewal for Elk's Lodge #44, 5410 Lakeland Avenue North.

Moved by Councilmember Rygg and seconded by Councilmember Leppa to approve the Consent Agenda.

Motion Carried.

The City Council considered the following Public Hearing:

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 Michael LeRoy Jorgenson for a variance of 20' in the required 40' rear yard setback to build a 20' x 6' addition and a 14' x 17' deck on the existing house at 3316 Louisiana 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 Leppa and seconded by Councilmember Smothers to approve as recommended by and based on the

November 29, 1988

page 349

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. 4 a) to allow a variance of 20' in the required 40' rear yard setback to build a 20' x 6' addition and a 14' x 17' deck on the existing house at 3316 Louisiana Avenue North as requested in Application #88-50 by Michael LeRoy Jorgenson.

Motion Carried.

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

1. The City Council considered a Resolution Opposing the Decrease in the Number of Judges in Suburban Courts as recommended by the City's prosecution firm of Rosenthal, Rondoni, MacMillan & Joyner, Limited.

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

RESOLUTION NO. 88-77

RESOLUTION OPPOSING THE DECREASE IN THE NUMBER  
OF JUDGES IN SUBURBAN COURTS

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

2. Appearance by Arthur Cunningham, Crystal's representative on the Metropolitan Waste Control Commission. Mr. Cunningham briefed the Council on the structure, function, projects proposed and in progress of the Commission, and entertained questions of the Council.
3. The City Council considered the First Amendment to Agreement for Recycling Services.

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

RESOLUTION NO. 88-78

RESOLUTION APPROVING THE FIRST AMENDMENT TO  
THE AGREEMENT FOR RECYCLING SERVICES

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

November 29, 1988

page 350

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

Moved by Councilmember Leppa and seconded by Councilmember Smothers to approve a contract with Anderson-Dale Architects for plans for the new Community Center deleting 10.2.1.7 of Article 10, Expense of professional liability insurance equal to 3.0% of architectural fees, and further to authorize the City Manager to sign such agreement.

Motion Carried.

5. The City Council considered the Second Reading of an Ordinance Amending Crystal City Charter. Councilmember Herbes voiced an objection to the portion of the Amended Ordinance allowing councilmembers to hold another compatible public office.

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

ORDINANCE NO. 88-

AN ORDINANCE AMENDING THE CITY OF CRYSTAL CHARTER

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

By roll call and voting aye: Moravec, Rygg, Langsdorf, Aaker, Leppa, Smothers; voting no: Herbes. Motion failed - adoption requires an unanimous vote of the entire Council.

Moved by Councilmember Langsdorf and seconded by Councilmember Smothers that the proposed amended Ordinance be referred back to the Charter Commission.

Motion Carried.

6. The City Council considered the First Reading of an Ordinance Relating to Liquor and Beer in Public Parks in the City.

Moved by Councilmember Langsdorf and seconded by Councilmember Smothers to refer the Ordinance to the Park & Recreation Advisory Commission for their review.

Motion Carried.

7. The City Council discussed the Senior Transportation Pilot Project.

Moved by Councilmember Smothers and seconded by Councilmember Langsdorf to approve the City of Crystal's participation in the Senior Transportation Pilot Project.

Motion Carried.



November 29, 1988

page 351

8. The City Council considered the Twin Lakes Kylawn Preserve Development. The City Council directed staff to obtain copies of the map for Councilmembers.
9. The City Council reviewed plans for signing for the Becker Park Arts Center as presented by City staff. It was the consensus of the Council that directional signs indicating the location of the Becker Park Arts Center along main roads leading to the Center would be very helpful but encouraged staff to review more carefully the signing proposed to be placed on the Arts Center building.
10. The City Council discussed the Thirteenth Check or Double COLA Report and Notice.

Moved by Councilmember Leppa and seconded by Councilmember Rygg to approve a \$3,000 contribution from the City of Crystal to oppose the 13th Check.

Motion Carried.

11. The City Council considered the Affirmative Action Plan for the City of Crystal.

Moved by Councilmember Langsdorf and seconded by Councilmember Smothers to approve the Affirmative Action Plan for the City of Crystal as presented by City staff.

Motion Carried.

The following item was discussed during Open Forum:

Jodelle Barrett and Heidi Warren, 6400 - 27th Avenue North (Douglas Court Apartments), appeared to solicit the City's help in obtaining hot water in the apartments which they claimed has been insufficient since July of 1988. City staff was directed to get in touch with the State boiler inspector in an attempt to remedy the situation and report back to Council at the next meeting.

12. Moved by Councilmember Herbes and seconded by Councilmember Smothers 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 Smothers and seconded by Councilmember Leppa to adjourn the meeting.

Motion Carried.

Meeting adjourned at 8:52 p.m.



November 29, 1988

page 352

---

Mayor

ATTEST:

---

City Clerk

PLEASE CALL IF UNABLE TO ATTEND  
CRYSTAL PLANNING COMMISSION AGENDA

December 12, 1988

The regular meeting of the Crystal Planning Commission convened at 7:00 p.m. with the following present:

( ) Anderson	( ) Guertin	Building Inspector
( ) Barden	( ) Halpaus	( ) Peterson
( ) Christopher	( ) Kamp	City Engineer
( ) Elsen	( ) Magnuson	( ) Monk
( ) Feyereisen	( ) Nystrom	Recording Secretary
		( ) Scofield

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_ to approve the minutes of the November 14, 1988, meeting, with the following exceptions:

---

Motion carried.

1. Consideration of Application #88-57 of John R. Paulson of Cambridge Apts., Inc. for rezoning property from R-1 District (Single Family Residential) to R-O District (Residential-Office) and #88-59 for a conditional use permit to allow elderly housing in an R-O District at 6203-13 - 36th Ave. N.

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_ to set a public hearing before the Planning Commission at 7:30 p.m., or as soon thereafter as the matter may be heard, Monday, January 9, 1989, to consider the request of John R. Paulson of Cambridge Apts., Inc. in Application #88-57 to rezone from R-1 District (Single Family Residential) to R-O District (Residential-Office) and Application #88-59 for a conditional use permit to allow elderly housing in an R-O Zoning (Section 515.27, Subd. 4 c), property located at 6203-13 - 36th Ave. N., described as Lots 4 & 5, Block 4, Rosedale Acres.

Motion Carried.

2. Consideration of Variance Application #88-58 for an addition to the existing garage which will encroach in the required 40' rear yard setback at 3949 Hampshire Ave. N. as requested by Don W. Lee.

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_ that pursuant to Section 515.55 of the Crystal City Code to recommend to the City Council to vary or modify the strict application of Section 515.13, Subd. 4 a) to grant a variance of 14'6" in the required 40' rear yard setback to build a 10'6" x 23' addition to the existing garage at 3949 Hampshire Ave. N., P.I.D. #17-118-21-42-0018, as requested in Application #88-58 of Don W. Lee.

The findings of fact are:

Motion carried.

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_ to (recommend to the City Council to deny) (table for further study) Variance Application #88-58 of Don W. Lee, as described above.

The findings of fact are:

Motion carried.

For your information Commissioners Magnuson, Kamp, Barden and Elsen will have completed their terms on the Planning Commission as of December 31, 1988, and are on the City Council's agenda for January 3, 1989 for reappointment.

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_ to adjourn.

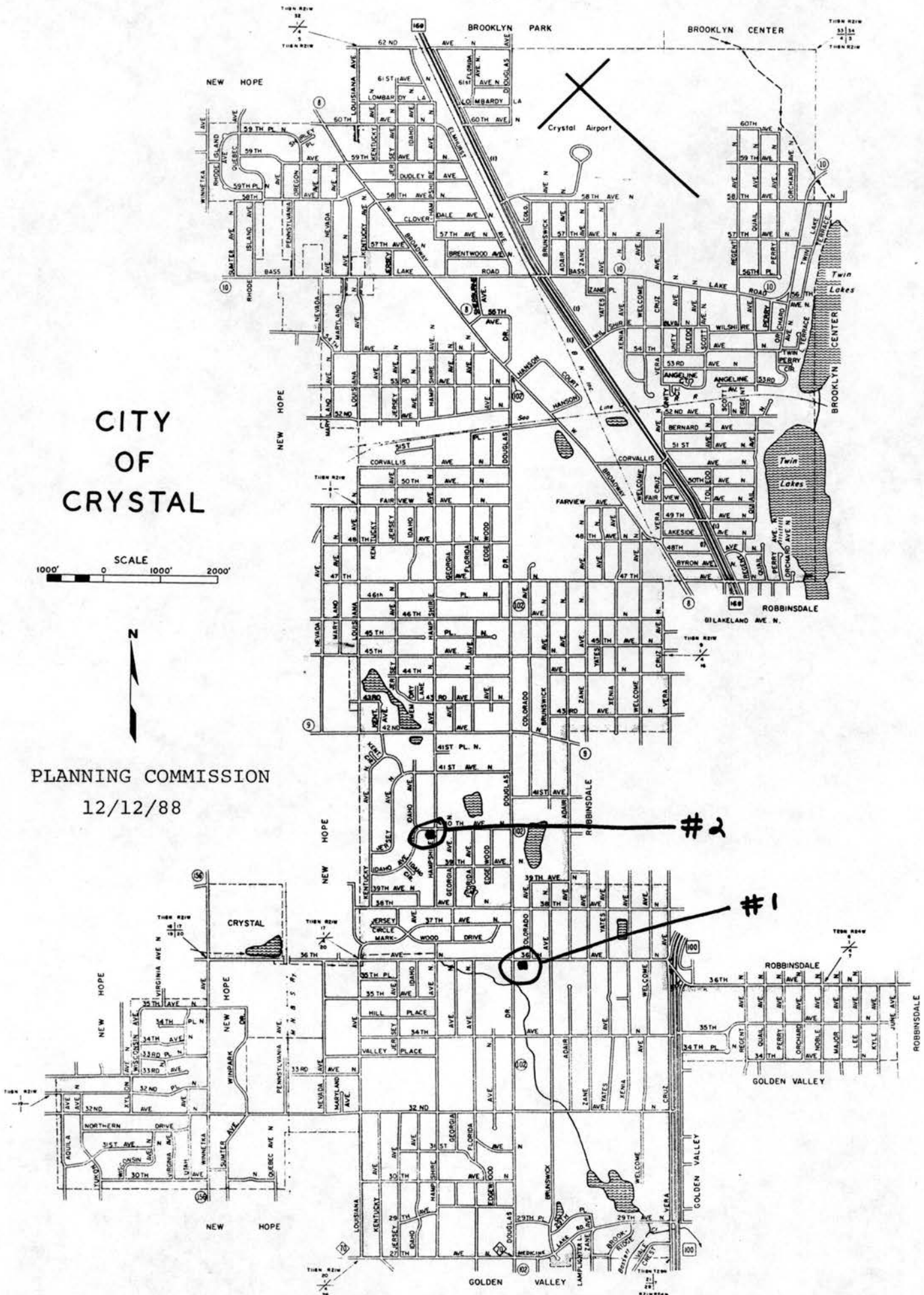
The meeting adjourned at \_\_\_\_\_.

# CITY OF CRYSTAL

SCALE  
1000' 0 1000' 2000'



PLANNING COMMISSION  
12/12/88





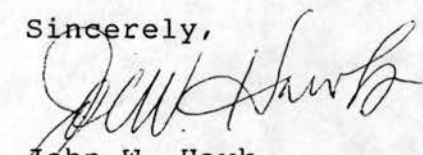
November 16, 1988

Mayor and City Council  
City of Crystal  
4141 Douglas Drive  
Crystal, MN 55422

Dear Mayor and Council:

Due to other commitments it has become necessary for me  
to resign my position on the Environmental Quality Commission.

Sincerely,



John W. Hawk  
5657 Nevada Avenue  
Crystal, MN 55428

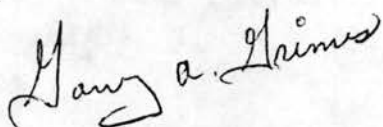
December 8, 1988

Dear Members of the Crystal City Council:

I am hereby submitting my resignation from the Crystal Park and Recreation Advisory Commission after eight very rewarding years. The resignation will be effective 12/31/88.

I also look forward to representing Ward 4, City of Crystal, in 1989 and serving on the Crystal City Council with you.

Sincerely,

A handwritten signature in cursive script that reads "Garry A. Grimes". The signature is written in dark ink and is positioned above the typed name.

Garry A. Grimes

GAG:bmr

**MINNESOTA DEPARTMENT OF PUBLIC SAFETY  
LIQUOR CONTROL DIVISION  
333 SIBLEY • ST. PAUL, MN 55101**



**APPLICATION AND PERMIT  
FOR A 1 to 3 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

## TYPE OR PRINT INFORMATION

NAME OF ORGANIZATION Fr. Wm. Blum Council--Knights of Columbus		DATE ORGANIZED 1953	NO. OF MEMBERS 1,550	TAX EXEMPT NUMBER 41-0969839
STREET ADDRESS 4947 West Broadway		CITY Crystal		STATE MN
NAME OF PERSON MAKING APPLICATION Russell S. Horbal, Grand Knight		BUSINESS PHONE (612) 537-1492		HOME PHONE (612) 537-5020
DATES LIQUOR WILL BE SOLD? (1 TO 3 DAYS) February 1, 1989	DOES ORGANIZATION HAVE A CHARTER <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		GENERAL PURPOSE OF ORGANIZATION Fraternal	
ORGANIZATION OFFICER'S NAME Russell S. Horbal, Grand Knight		ADDRESS 5117 - 52nd Ave. N., Crystal, MN 55429		
ORGANIZATION OFFICER'S NAME Thomas N. Tophen		ADDRESS 8707 North Brook Ave., Mpls, MN 55428		
ORGANIZATION OFFICER'S NAME Don F. Redden		ADDRESS 4118 Kentucky Ave. N., Crystal, MN 55427		

Location where license will be used. If an outdoor area, describe.

Club Rooms -- 4947 West Broadway, Crystal, MN 55429

Will the applicant contract for intoxicating liquor services? If so, give the name and address of the Liquor licensee providing the services.

No

Will the applicant carry liquor liability insurance? If so, the carrier's name and amount of coverage.  
(Note: Insurance is not mandatory)

Yes -- Crystal State Agency, 7000-Bass Lake Road, Crystal, MN. \$100,000.00

## APPROVAL

CITY OF Crystal  
CITY FEE AMOUNT \_\_\_\_\_  
DATE FEE PAID \_\_\_\_\_

Marlene George  
SIGNATURE CITY CLERK

DATE APPROVED \_\_\_\_\_

LICENSE DATES \_\_\_\_\_

APPROVED LIQUOR CONTROL DIRECTOR \_\_\_\_\_

## NOTE:

Do not separate these two parts, send both parts to the address above and the original signed by this division will be returned as the license. Submit to the City Clerk at least 30 days before the event.

December 13, 1988

Mayor and Council  
City of Crystal  
4141 Douglas Drive  
Crystal, Mn. 55422

Dear Mayor and Council

I submit my resignation from the Crystal Park and Recreation Advisory  
Commission after eight rewarding years, effective 12/31/88.

I looking forward to representing Ward 4, City of Crystal, in 1989.

Sincerely,

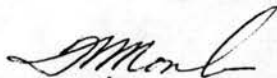
A handwritten signature in cursive script that reads "Elmer Q. Carlson". The signature is written in dark ink and is positioned above the typed name.

Elmer Q. Carlson



TO: Planning Commission  
FROM: Bill Monk, City Engineer  
DATE: November 7, 1988  
RE: Preliminary Plat of Chalet Acres

One of the building permit conditions by which the Chalet Ski and Patio, located at 3359 Vera Cruz Avenue North, was allowed to expand included platting the two lots involved into a single parcel. The owner has now submitted a preliminary plat (attached) in conformance with said condition. The document meets all provisions of City Code, and approval is recommended.

  
WM:jrs

Encls

12/5/88 UPDATE

On November 14 the Planning Commission recommended approval of the preliminary plat of Chalet Acres.





MEMORANDUM

TO: Jerry Dulgar  
City Manager

FROM: James F. Mossey  
Chief of Police

DATE: November 9, 1988

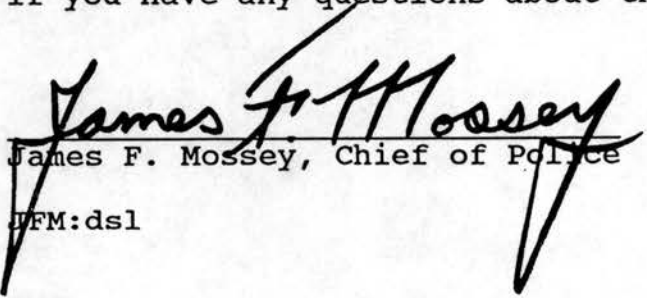
RE: Off Sale Liquor License  
Jerome Halek

Attached please find the Resume of Detective Daniel T. Drake regarding investigation into the application for an Off Sale Liquor License by Jerome Halek. You will note that there is reference to an extensive driving record which involves abuse of alcohol and a list of Calls For Service to his motel dating back to December 1, 1982.

It appears that the motel requires a high percentage of police attention. With the Council's concerns about excessive calls to liquor establishments, my conclusion is that if a liquor license is granted to Mr. Halek to sell liquor, we can expect a high rate of police service to his business.

Based upon the above information, I cannot recommend that an Off Sale Liquor License to issued to Mr. Halek.

If you have any questions about this, please let me know.

  
James F. Mossey, Chief of Police

JFM:dsl



RESUME OF DETECTIVE DANIEL T. DRAKE  
LIQUOR LICENSE INVESTIGATION OF JEROME FRANK HALEK

I checked the following sources of information of Jerome Halek:

1. Bankruptcy Court - They had no record of Jerome Halek.
2. Civil Processes - Nothing pending on Jerome Halek.

Jerome Halek's financial statement appeared to be as he had represented it on the application. Letters were sent to The Bank and First Minnesota, and they confirmed the existence of the accounts that Halek listed on the application.

I spoke to the parties Jerome Halek listed as references and received positive reports from these parties.

Jerome Halek has no automated CCH. I checked the Bureau of Criminal Apprehension for a nonautomated record on Jerome Frank Halek. I found one entry listed as an unlawful entry. Halek was sentenced to one year in a work house and the sentence stayed.

Jerry Halek's driving record is as follows: Jerome Halek has a valid Minnesota Driver's License with a B-card restriction. Any use of alcohol or drugs invalidates the license.

On 12-20-81 Jerome Halek was cancelled as being inimical to public safety.

On 2-20-81 he had a revocation for an alcohol content of .10 or more. On 3-18-81 he was charged with driving after withdrawal. On 1-31-81 he was charged with driving after withdrawal and driving while under the influence of alcohol.

It's also cancelled for being inimical to public safety on 11-30-79.

On 9-23-79 he was convicted of driving while under the influence of alcohol. On 7-21-73 he was convicted of driving while under the influence of alcohol. On 1-21-73 he was convicted of driving while under the influence of alcohol. On 11-20-72 he was convicted of driving while under the influence of alcohol. On 11-5-70 he was convicted of driving under the influence of alcohol. On 12-26-63 he was convicted of driving while under the influence of alcohol.

Jerome Halek had no outstanding warrants.

I also contacted the Better Business Bureau and found no complaints with the Halek Motel.

See the attached list of numerous police calls involving Jerry Halek and the Halek Motel. He has had 142 calls for service since 1983.

The information solicited herein pursuant to authority granted by law is necessary to complete the background and financial investigation of the applicant for a liquor license. In order that the Crystal Police Department will have adequate information to complete the investigation, it is necessary that the applicant complete all the forms in their entirety. The information solicited and the results of the investigation that follows will be used to determine whether or not the application will be denied or approved. You should be aware that willfully making a false statement or concealing a material fact in your application and required forms, may be the basis for a denial of your application.

PERSONAL STATEMENT

535-374/  
Jerome Halek

INSTRUCTIONS: 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.

HALEK JEROME FRANK PERSONAL HISTORY  
Name in full (Last, first, middle)

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.

Birthdate (Month, day, year) 1 13 42	Are you a U.S. citizen? ( ) Yes ( ) No	Naturalized? ( ) Yes ( ) No
Place of birth SWEDISH Hosp	Naturalization Place	Derivative? ( ) Yes ( ) No
	Explain Derivative Citizenship	Date Court





## **Partially Scanned Material**

The remainder of this page/item has not been digitized due to privacy considerations. The original can be viewed at the Minnesota Historical Society's Gale Family Library in Saint Paul, Minnesota. For more information, visit [www.mnhs.org/library/](http://www.mnhs.org/library/).

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

Jerome F. Walsh

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

Jerome F. Walsh  
(Signature)

Date:

7/14/88

(Spouse's Signature)

6000 Lakeland <sup>Appt</sup> No 53428  
(Address)

WITNESSES:

\_\_\_\_\_

\_\_\_\_\_



**CITY of CRYSTAL**

4141 Douglas Drive North • Crystal, MN 55422-1696 • 537-8421

POLICE DEPARTMENT

September 22, 1988

The Bank  
7000 Bass Lake Road  
Crystal, MN 55422

To Whom it May Concern:

Enclosed is a Release Form signed by Lenny Halek. Mr. Halek is a customer of your financial institution. Mr. Halek has applied for a liquor license. I am conducting a background check on the information provided to the City by Mr. Halek. I would greatly appreciate any information that your organization has about Lenny Halek's financial picture, including account verification, late payment, and on any credit information.

Thank you very much.

Sincerely,

Daniel Drake  
Investigator  
City of Crystal

DD:ee  
Enc.

Mr. Halek has a personal checking account with The Bank North, this account is a Med. 3, opened on 11-7-86. He does not have any loans with us at this time.

*Bonnie Brand*  
Bonnie Brand  
Account Service Rep.



4141 Douglas Drive North • Crystal, MN 55422-1696 • 537-8421

POLICE DEPARTMENT

SEP 27 REC'D

013

September 22, 1988

First Minnesota  
5440 West Broadway  
Crystal, MN 55422

To Whom it May Concern:

Enclosed is a Release Form signed by Lenny Halek. Mr. Halek is a customer of your financial institution. Mr. Halek has applied for a liquor license. I am conducting a background check on the information provided to the City by Mr. Halek. I would greatly appreciate any information that your organization has about Lenny Halek's financial picture, including account verification, late payment, and on any credit information.

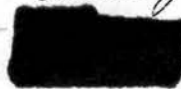
Thank you very much.

Sincerely,

Daniel Drake  
Investigator  
City of Crystal

DD:ee  
Enc.

Checking account



Current bal 2 mo open  
average bal 1106.50  
682.40 1106.50 07-09-88

We do not rate

Ursula Hiller

09-27-88

URSULA HILLER  
VERIFICATION ANALYST



CRY016 S BCN127 SEP 15 1988 15:02:57 SEP 15 1988 15:03:36

MN.MNBCA00D4.MN0270400.TXT

2029 BCA ST PAUL, MN 091588

TO: CRYSTAL PD ATN/DRAKE

REF: HALEK, JEROME FRANK

\*\*\*\*\*

\*THIS RECORD IS CURRENT AS OF THIS DATE. CHANGES MAY OCCUR AFTER THIS DATE  
AND SUBSEQUENT USE REQUIRES A NEW INQUIRY. USE AND DISSEMINATION OF THIS  
INFORMATION IS RESTRICTED BY STATE AND FEDERAL REGULATION\*

\*\*\*\*\*

989861 MN0271100 ULAWFUL ENTRY---1 YR WKHSE SENT STYD

END OF QUERY RESPONSE

DPS-MN BUREAU OF CRIMINAL APPREHENSION ST PAUL/GN

END OF MESSAGE

MN.MN0270400.MNBCA00D4.

TXT

REQUEST NON-AUTOMATED RECORD CHECK PLEASE

NAM/HALEK, JEROME FRANK. [REDACTED]

RRB/DET DRAKE

CRYSTAL PD OPR/JAA

CRY007 SEP 15 1988 14:12:13 ACK

CRY023 CRY013 OCT 12 1988 15:21:22 OCT 12 1988 15:22:30 02/02

*04/22/81	* SUSP - 2ND DRIVING AFTER WITHDRAWAL 00150	09/20/81	
03/18/81	DRIVING AFTER WITHDRAWAL		110326
02/20/81	REHABILITATION REQUIRED		
*02/20/81	* REV - ALCOHOL CONTENT.10 OR MORE 00120	06/20/81	01/31/81
02/17/81	APA HELD		27
01/31/81	DRIVING AFTER WITHDRAWAL		104935
01/31/81	DRIVING WHILE UNDER THE INFLUENCE OF ALCOHOL IC-6		02/09/81
03/05/80	PASSED DRIVER TEST		02/29/80
12/27/79	NOTICE RE REQUIREMENTS SENT		12/27/79
11/30/79	REHABILITATION REQUIRED		
*11/30/79	* CANC - DENY - INIMICAL TO PUB SFTY		
11/29/79	APA HELD		27
*11/28/79	* REV - 6 ALCOHOL INCIDENTS ON RECORD 00365	12/29/79	09/23/79
09/23/79	DRIVING WHILE UNDER THE INFLUENCE OF ALCOHOL		11/19/79
07/21/73	DRIVING WHILE UNDER THE INFLUENCE OF ALCOHOL		08/21/74
01/21/73	DRIVING WHILE UNDER THE INFLUENCE OF ALCOHOL		08/21/74
11/20/72	DRIVING WHILE UNDER THE INFLUENCE OF ALCOHOL		08/21/74
11/05/70	DRIVING WHILE UNDER THE INFLUENCE OF ALCOHOL		08/23/71
12/26/63	DRIVING WHILE UNDER THE INFLUENCE OF ALCOHOL		

MESSAGE WAITING PRESS PA1

CRY011 CRY006 SEP 15 1988 14:07:41 SEP 15 1988 14:07:48 01/03  
PAGE 1

MINNESOTA DEPARTMENT OF PUBLIC SAFETY  
-MN BCA - CJIS - CCH SUMMARY - FOR OFFICIAL USE ONLY-  
SCO/106. [REDACTED] LVL/NOT DETERMINED.  
NAM/HALEK, JEROME FRANK. [REDACTED]

CHG/N.  
FPC/221114C014191113CI13.  
HPC/22 M 9 U 000MM 14 -L 2 U 00IMM 13.  
ICO/RECORD NOT AUTOMATED.  
REL/F00787. FRM/F00153.

CRY011 CRY006 SEP 15 1988 14:07:41 SEP 15 1988 14:07:59 02/03  
PAGE 2

\*  
THIS RECORD IS CURRENT AS OF THE DATE INDICATED BELOW. CHANGES  
MAY OCCUR AFTER THIS DATE AND SUBSEQUENT USE REQUIRES A NEW  
INQUIRY. USE AND DISSEMINATION OF THE INFORMATION IS RESTRICTED  
BY STATE AND FEDERAL REGULATION.  
THIS INQUIRY LOGGED.

\*  
SCO/077. SID/MN00176346. [REDACTED]  
NAM/HALLICH, JAMES RICHARD. [REDACTED]  
[REDACTED] FPC/11TTTT08090552080509.

\*  
SCO/072. SID/MN82008503. FBI/411273AA7.  
NAM/HULSE, GERALD STANLEY. [REDACTED]  
[REDACTED] FPC/P06612P0121668142217.

PAGE WAITING PRESS PA1

CRY011 CRY006 SEP 15 1988 14:07:41 SEP 15 1988 14:08:08 03/03



END OF QUERY RESPONSE. AS OF 091588

CRY012 NCI642 SEP 15 1988 14:08:18 SEP 15 1988 14:08:24

NL015 CRY00600632 270400

NO IDENTIFIABLE RECORD IN THE NCIC INTERSTATE IDENTIFICATION INDEX  
(III) FOR NAM/HALEK, JEROME FRANK. [REDACTED]

NOTICE -- THIS DOES NOT PRECLUDE THE POSSIBLE EXISTENCE OF MATCHING  
RECORDS IN LOCAL, STATE, OR FBI IDENTIFICATION DIVISION FILES THAT ARE  
NOT INDEXED IN THE NCIC III. IF YOU DESIRE A SEARCH OF THE FBI  
IDENTIFICATION DIVISION FILES, A FINGERPRINT CARD SHOULD BE SUBMITTED.  
END

CRY023 CRY013 OCT 12 1988 15:21:22 OCT 12 1988 15:21:36 01/02

\*  
\*  
\*  
\*

TXT

JEROME FRANK HALEK

6000 LAKELAND AV

MPLS MN 55428

OLN/H420402261037. OLT/C-00 1. EXP 011390

RSTR: ANY USE OF ALCOHOL OR DRUGS INVALIDATES LICENSE

RSTR: B-CARD

STATUS: VALID

PHOTO #: 6100052026. ISU/030486.

>04/28/88 MCIP TIL 6-6-88 R

>03/17/88 MCIP TIL 4-25-88 0

02/24/86 REINSTATE DRIVING PRIVILEGES - RECEIPT

02/21/86 REHABILITATION COMPLETED

02/14/86 PASSED DRIVER TEST

02 11 86

\*12/20/81 \* CANC -- DENY -- INIMICAL TO PUB SFTY

09/23/81 FEE REQUIREMENT MET

09/23/81

09/18/81 NOTICE RE REQUIREMENTS SENT

09/18/81

07/20/81 PASSED DRIVER TEST

07/15/81

06/30/81 PASSED WRITTEN TEST

PAGE WAITING

PRESS PA1

## CALLS FOR SERVICE

\*AGENCY: 3

\* LIST OF POSSIBLE CANDIDATES \*

NO	NAME	DATE REPORTED	TIME RCVD	ACTIVITY CODE	RD	INCIDENT NO
1	HALECK, JEROME	120182	1708	HEALTH/WELEA	0003	82009481
2	HALEK, JEROME	120682	2038	MEDICAL	0003	82009634
3	HALEK, JEROME	011683	1242	DAR/DAS/DAC	0003	83000446
4	HALECK, CAROL	020483	1529	DOMESTIC	0003	83000926
5	HALEK, CAROL	021083	2327	DOMESTIC	0003	83001092
6	HALEK	040883	1806	DOMESTIC	0003	83002592
7	HALEK, JEROME FRANK	040983	0334	VANDALISM	0003	83002616
8	HALEK, JEROME	050583	2300	SUSP/INFO	0004	83003404
9	HALEK, JEROME	052883	1641	MEDICAL	0003	83004095
10	HALEK, JEROME	081183	0300	ALL OTH PUBS	0003	83006990
11	HALEK, JEROME	082083	0139	ALL OTH PUBS	0003	83007328
12	HALEK, JEROME	082083	0326	ALL OTH PUBS	0008	83007333
13	HALEK, JEROME	022484	1836	ALL OTH PUBS	0003	84001463
14	HALEK, KRIS JOSEPH	032884	2336	M/V THEFT	0016	84002350
15	HALEK, JERRY	060584	0118	FIGHT	0003	84004460

&gt;SELECT ITEM NO : \_

## CALLS FOR SERVICE

\*AGENCY: 3

\* LIST OF POSSIBLE CANDIDATES \*

NO	NAME	DATE REPORTED	TIME RCVD	ACTIVITY CODE	RD	INCIDENT NO
1	HALEK, JERRY	062184	0526	ALL OTH PUBS	0003	84005066
2	HALEK, JEROME FRANK	090484	0234	PI ACC MV/MV	0008	84007451
3	HILLUKKA, KEITH ALAN	090684	0729	LARCENY	0008	84007515
4	HALEK, JEROME	101484	0327	ALL OTH PUBS	0003	84008655
5	HALEK, JEROME FRANK	103084	1445	LARCENY	0003	84009147
6	HALECK, JEROME	112584	1948	SUSP/INFO	0003	84009860
7	HALEK, JERRY	030285	0133	FIGHT	0003	85001758
8	HALEK, JEROME	032385	2107	HEALTH/WELFA	0003	85002448
9	HALEK, JERRY	051085	0112	HEALTH/WELFA	0003	85003906
10	HALEK, JEROME	082385	1353	DOMESTIC	0003	85007589
11	HALEK, JEROME	112685	0311	PARTY/MUSIC	0003	85010418
12	HALLICH, PAULA RICHELLE	120785	2049	JUV T/TAG	0009	85010763
13	HILLUKKA, SUSAN JANE	051286	2222	JUV T/TAG	0030	86003697
14	HALEK, JEROME FRANK	051586	0150	BURGLARY	0008	86003768
15	HOLEC, JEANNINE MURIEL	050287	1319	LARCENY	0029	87003465

&gt;SELECT ITEM NO : \_\_



CALLS FOR SERVICE

\*AGENCY: 3

\* LIST OF POSSIBLE CANDIDATES \*

NO	NAME	DATE REPORTED	TIME RCVD	ACTIVITY CODE	RD	INCIDENT NO
1	HALEK, JERRY	071587	1154	ALL OTH PUBS	0003	87006051
2	HALICK, NICOLE LYNN	032188	1500	SEX CRIMES	0036	88002106
3	HILLUKKA	061688	0127	ANIMAL DET.	0008	88004913
4	HALEK, JEROME	062488	2050	ALL OTH PUBS	0003	88005217
5	HALEK, JEROME	062488	2138	PUBLIC PEACE	0003	88005220
6	HALEK, JEROME	101088	1725	SUSP/INFO	0003	88008696
7						
8						
9						
10						
11						
12						
13						
14						
15						

>SELECT ITEM NO : \_\_

10/18/88

CALLS FOR SERVICE SUMMARY 10181 TO 10188  
6000 LAKELAND ROYAL CROWN MOTEL  
142 CALLS

PAGE 001

DATE REPORT	ACTIVITY CD	INCIDENT NO	DISPOSITION	DISP REMARKS
120182	HEALTH/WELFA	82009481	ADVISE/ASSIST	CHECKED OK,
120682	MEDICAL	82009634	ADVISE/ASSIST	KENNETH KOHNEN AGE 60 NORTH VIA NORTH
120782	ALL OTH PUBS	82009639	ADVISE/ASSIST	ADVISED NO VACANCIES, AND LEFT
121682	DOMESTIC	82009881	ADVISE/ASSIST	ADVISED
011683	DAR/DAS/DAC	83000446	ARREST	CHRISTENSEN, DAVID CHARLES, DOB/091348
012883	ALL OTH PUBS	83000736	GONE ON ARRIVAL	
012883	LARCENY	83000740	ADULT-RPT-TKN	
020483	DOMESTIC	83000926	ADVISE/ASSIST	ASSISTED
021083	DOMESTIC	83001092	ADVISE/ASSIST	
030283	MEDICAL	83001565	ADVISE/ASSIST	REFUSED TREATMENT
030383	HEALTH/WELFA	83001598	ADULT-RPT-TKN	NORTH VIA NORTH, SEE SUPP
031583	SUSP/INFO	83001916	UNFOUNDED	UNFOUNDED, WRONG PERSON
040883	DOMESTIC	83002592	ADVISE/ASSIST	
040983	VANDALISM	83002616	ADULT-RPT-TKN	
041583	FIRE-COMM	83002802	ADVISE/ASSIST	
042583	AST OT AGENC	83003069	ADVISE/ASSIST	
052483	MEDICAL	83003983	ADVISE/ASSIST	
052883	MEDICAL	83004095	UNFOUNDED	
060883	LARCENY	83004434	ADULT-RPT-TKN	
060883	DOMESTIC	83004467	ADVISE/ASSIST	HAWTHORNE, ROBERT DAVID/NOT AT SCENE
070283	WARRANT ARR	83005409	ARREST	OLSON, DAVID ANDRES
070883	DOMESTIC	83005648	ADVISE/ASSIST	
072283	DOMESTIC	83006327	ADVISE/ASSIST	
080883	ASSAULT	83006910	ARREST	PEARSON, LES NORMAN
081183	ALL OTH PUBS	83006990	ADVISE/ASSIST	
081283	MEDICAL	83007028	ADVISE/ASSIST	
081283	HEALTH/WELFA	83007042	ADVISE/ASSIST	
081483	SUSP/INFO	83007103	ADVISE/ASSIST	
082083	ALL OTH PUBS	83007328	ADVISE/ASSIST	
082083	ALL OTH PUBS	83007333	ADVISE/ASSIST	
082283	MEDICAL	83007419	ADVISE/ASSIST	
090183	FOUND BIKE	83007802	ADULT-RPT-TKN	
111883	AST OT AGENC	83010058	ADVISE/ASSIST	
121883	HEALTH/WELFA	83011049	ADVISE/ASSIST	
012684	ASSAULT	84000651	ARREST	LONGLEY, GREGORY ALLEN, DOB/052160
012784	WARRANT ARR	84000693	GONE ON ARRIVAL	
012984	DOMESTIC	84000731	ARREST	CARLSON, MARK HAROLD, KRONSCHEBEL, CINDY ANNE, DOB/010762
013184	OBSTRUCTING	84000785	ARREST	KRONSCHEBEL, CINDY ANN
020384	SUSP/INFO	84000850	ADVISE/ASSIST	
020584	AST OT AGENC	84000895	ADVISE/ASSIST	
021484	AST OT AGENC	84001182	ADVISE/ASSIST	
022184	MEDICAL	84001372	ADVISE/ASSIST	
022484	ALL OTH PUBS	84001463	ADVISE/ASSIST	
030684	M/V THEFT	84001748	ADULT-RPT-TKN	
031384	DWI/DUI	84001941	ARREST	ELWELL, JAMES EUGENE
031884	REC STOL M/V	84002077	ADULT-RPT-TKN	
033084	LARCENY	84002384	ADULT-RPT-TKN	
051984	HEALTH/WELFA	84003942	ADVISE/ASSIST	
060584	FIGHT	84004460	ADVISE/ASSIST	NIEMI, DON RUSSELL 5-29-57 COULTER, GERALD LEROY 5-7-50
060984	HEALTH/WELFA	84004611	ADVISE/ASSIST	
060984	DOMESTIC	84004612	ADVISE/ASSIST	
061184	DAR/DAS/DAC	84004686	ARREST	
062084	HEALTH/WELFA	84005039	ADVISE/ASSIST	
062184	MEDICAL	84005062	ADVISE/ASSIST	
062184	ALL OTH PUBS	84005066	ADVISE/ASSIST	

10/18/88

CALLS FOR SERVICE SUMMARY 020183 TO 101888  
6000 LAKE LAND ROYAL CROWN MOTEL  
142 CALLS

PAGE 002

DATE REPORT	ACTIVITY CD	INCIDENT NO	DISPOSITION	DISP REMARKS
070984	HEALTH/WELFA	84005706	ADVISE/ASSIST	DOHERTY, SUSAN MARIE OHLANDER, RICHARD ALAN
071284	ALL OTH PUBS	84005789	ADVISE/ASSIST	
071684	SUSP/INFO	84005979	ADVISE/ASSIST	
073184	ALL OTH PUBS	84006443	ADVISE/ASSIST	
081184	ASSAULT	84006756	ARREST	MEYER, STEVEN PAUL
090484	ALL OTH PUBS	84007457	ADVISE/ASSIST	
090984	SUSP/INFO	84007631	ADVISE/ASSIST	
091584	MEDICAL	84007778	ADVISE/ASSIST	
101384	MEDICAL	84008620	ADVISE/ASSIST	
103084	LARCENY	84009147	ADULT-RPT-TKN	
111784	ALL OTH PUBS	84009663	UNFOUNDED	
112584	SUSP/INFO	84009860	UNFOUNDED	
010185	SUSP/INFO	85000006	ADVISE/ASSIST	
011885	WARRANT ARR	85000485	ARREST	
012985	DWI/DUI	85000788	ARREST	BARBARA BIRD
022285	VANDALISM	85001500	ADULT-RPT-TKN	
022885	MEDICAL	85001700	ADVISE/ASSIST	
022885	DWI/DUI	85001714	ARREST	NPG875
030285	FIGHT	85001758	JUV-ASSIST/ADV	
032285	FOUND PROP	85002406	ADULT-RPT-TKN	
032385	HEALTH/WELFA	85002448	GONE ON ARRIVAL	
032785	SUSP/INFO	85002539	ADVISE/ASSIST	LRG352
040585	SUSP/INFO	85002812	ADVISE/ASSIST	
051085	HEALTH/WELFA	85003906	ADVISE/ASSIST	
051685	DWI/DUI	85004083	ARREST	ROBERT JAMES OSMAN
053085	LOCK OUT	85004504	ADVISE/ASSIST	
070685	SUSP/INFO	85005839	UNFOUNDED	
080585	AST OT AGENC	85006926	ADVISE/ASSIST	
080985	WARRANT ARR	85007098	ARREST	LUKAT, JAMES MANFRED
082385	DOMESTIC	85007570	ADVISE/ASSIST	
082385	DOMESTIC	85007589	JUV-RPT-TAKEN	
100185	BURGLARY	85008787	ADULT-RPT-TKN	
100785	FIRE-MULT	85008946	ADVISE/ASSIST	
111385	MEDICAL	85010038	ADVISE/ASSIST	
112585	ANIMAL DET,	85010387	ADVISE/ASSIST	
112685	PARTY/MUSIC	85010418	ADVISE/ASSIST	
011786	WARRANT ARR	86000422	ARREST	HATLEY, JESSIE LEE,
012586	DWI/DUI	86000617	ARREST	LEE GORDAN GREINER
013086	H&R P,D, ACC	86000764	ADULT-RPT-TKN	CRAIG MICHAEL DUGAN TAKEN TO MAIN DETOX
020786	MEDICAL	86000935	ADVISE/ASSIST	
031586	HEALTH/WELFA	86001909	ADVISE/ASSIST	JACOBS, JOHN ROMEN
032886	LARCENY	86002252	ADULT-RPT-TKN	
041386	HOMICIDE	86002757	ADULT-RPT-TKN	
042886	PI ACC MV/MV	86003195	ADULT-RPT-TKN	MJC393
051186	DWI/DUI	86003643	ARREST	LOE, DANIEL ROBERT
051586	BURGLARY	86003768	ADULT-RPT-TKN	
051786	ALL OTHER 2	86003852	ARREST	GROSSELL, KEVIN JOHN
063086	AGG VIO	86005484	ARREST	THOMAS MICHAEL MICALE
070186	ALL OTH PUBS	86005561	ADVISE/ASSIST	
070986	GROSS DWI	86005849	ARREST	MELLEN, EDWARD PATRICK
071586	HEALTH/WELFA	86006028	ADVISE/ASSIST	
082986	H&R P,D, ACC	86007597	ADULT-RPT-TKN	
082986	PD ACC MV/MV	86007599	ADULT-RPT-TKN	
091686	DAR/DAS/DAC	86008165	ARREST	MCCLENDON, JOHN EUGENE
091886	SUSP/INFO	86008216	ADULT-RPT-TKN	

10/18/88

CALLS FOR SERVICE SUMMARY 10185 TO 10188  
 6000 LAKE LAND ROYAL CROWN MOTEL  
 142 CALLS

PAGE 003

DATE REPORT	ACTIVITY CD	INCIDENT NO	DISPOSITION	DISP REMARKS
102186	MEDICAL	86009219	ADVISE/ASSIST	
102786	ALL OTHER 2	86009397	ARREST	CHILDRESS, BONNIE LYNN PLETSCHE, PATRICK SHAWN
011387	ALL OTH PUBS	87000342	GONE ON ARRIVAL	
021887	HEALTH/WELFA	87001322	ADVISE/ASSIST	
041687	WARRANT ARR	87002918	ARREST	DANCISAK, LAWRENCE MICHAEL
062087	ASSAULT	87005162	ADULT-RPT-TKN	
062187	GROSS DWI	87005214	ARREST	SMITH, THOMAS ALFRED
071187	DETOX PICKUP	87005942	ADVISE/ASSIST	
071587	ALL OTH PUBS	87006051	ADVISE/ASSIST	
072287	WARRANT ARR	87006308	ARREST	BURSTON, STEVEN MICHAEL
112187	MEDICAL	87010200	ADVISE/ASSIST	
112487	HEALTH/WELFA	87010296	GONE ON ARRIVAL	
112887	WARRANT ARR	87010421	ARREST	SLAVICEK, EMIL JAMES DOB/021449
122587	LOCK OUT	87011173	ADVISE/ASSIST	
021688	M/V IMPOUND	88001232	ADVISE/ASSIST	
031088	MEDICAL	88001832	ADVISE/ASSIST	
031688	SUSP/INFO	88001983	ADVISE/ASSIST	
041088	SUSP/INFO	88002700	ADVISE/ASSIST	
041588	SUSP/INFO	88002861	ADVISE/ASSIST	
051888	FIRE-MULT	88003855	ADVISE/ASSIST	
062488	ALL OTH PUBS	88005217	ADVISE/ASSIST	
062488	PUBLIC PEACE	88005220	ARREST	JOHNSON, LEFTY DANIEL
070288	WARRANT ARR	88005541	ARREST	KARJA, ARNOLD EDWIN
070588	DWI/DUI	88005660	ARREST	VANVALKENBURG, JAY PAUL
070788	ALL OTH PUBS	88005716	ADVISE/ASSIST	
071588	ALL OTH PUBS	88006002	ADVISE/ASSIST	
071588	ALL OTH PUBS	88006009	ADVISE/ASSIST	
072088	ALL OTH PUBS	88006187	ADVISE/ASSIST	
083088	ASSAULT	88007532	ARREST	GREGORY GEORGE MATTINEN
092888	DOMESTIC	88008380	ADVISE/ASSIST	
101088	SUSP/INFO	88008696	ADVISE/ASSIST	
101288	SUSP/INFO	88008748	ADULT-RPT-TKN	



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

Jerome F. Wahl

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

Jerome F. Wahl  
(Signature)

Date:

7/14/88

(Spouse's Signature)

6000 Lakeland Ave No 53428  
(Address)

WITNESSES:

\_\_\_\_\_

\_\_\_\_\_

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) <u>HALEK JEROME FRANK</u>		Trade Name or DBA <u>J.F. HALEK LIQUOR</u>	
License Location (Street Address/Lot & Block No.) <u>5600 BASS LAKE ROAD</u>		License Period From _____ To _____	Applicant's Home Phone <u>(612) 535-3741</u>
Municipality	County <u>HENP</u>	State <u>MINN</u>	Zip Code <u>55428</u>
Name of Store Manager <u>JEROME F HALEK</u>		Business Phone Number	Date of Birth (Individual Applicant) [REDACTED]
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.			
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
Partner/Officer	D.O.B.	Address	City Title/Shares

1. If a corporation, date of incorporation \_\_\_\_\_, state incorporated in \_\_\_\_\_ amount of authorized capitalization \_\_\_\_\_, amount of paid in capital \_\_\_\_\_, if a subsidiary of any other corporation, so state \_\_\_\_\_ give purpose of corporation \_\_\_\_\_ if incorporated under the laws of another state, is corporation authorized to do business in the State of Minnesota? \_\_\_\_\_. Number of certificate of authority \_\_\_\_\_.
2. Describe premises to which license applies; such as (first floor, second floor, basement, etc.)  
First Floor or if entire building, so state \_\_\_\_\_.
3. If operating under a zoning ordinance, how is the location of the building classified? B4?
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 James F. Hales 6000 Lakeside NW; has owner of building any connection, directly or indirectly, with applicant? YES SAME.
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. No
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 The BANK 700  
BASS LAKE ROAD
13. Under                      is the license applied for: EXCLUSIVE OFF-SALE LIQUOR STORE, DRUG STORE, COMBINATION ON & OFF LIQUOR, OR GENERAL FOOD STORE OFFSALE LIQUOR STORE
14. Are the premises now occupied, or to be occupied, by the applicant entirely separate and exclusive from any other business establishment? No
15. If a drug store, state length of time the store has been in operation \_\_\_\_\_
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 \_\_\_\_\_
17. State whether applicant has, or will be granted, a Sunday On-Sale Liquor License in conjunction with the regular On-Sale Liquor License \_\_\_\_\_
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 \_\_\_\_\_
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

19th day of September, 1988.

Janice R. Scofield  
(Notary Public)

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

Jan F. J. J. J.  
(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 \_\_\_\_\_

\_\_\_\_\_  
(Name of city, village or borough) Police Department

Approved By: \_\_\_\_\_  
\_\_\_\_\_  
Title

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



## JIM NESSER AGENCY

AN INSURANCE FIRM  
204 LOWRY AVENUE N. E.  
MINNEAPOLIS, MINNESOTA 55418  
(612) 781-6831



City of Crystal

Re: JF Halek Liquor  
5600 Bass Lake Road  
Crystal, Minn

Once Mr. Halek's liquor license is approved we will issue a certificate of insurance for the liquor liability coverage with the St. Paul Companies.

We cannot issue a certificate of bind the insurance until the license has been approved, this is to avoid any earned premium should the license not be approved.

The limit of liability for the liquor will be \$500,000. We will also be providing the general liability and contents coverage.

Should you have any questions on this please contact me at the above number.



Cheryl K Nesser



STATE OF MINNESOTA  
DEPARTMENT OF PUBLIC SAFETY  
LIQUOR CONTROL DIVISION

BOND NO. \_\_\_\_\_

2665245

**SURETY BOND****OFF SALE****Know all men by these presents**

That we \_\_\_\_\_

Jerome Frank Halek DBA: J F Halek Liquor \_\_\_\_\_ as principal, and

\_\_\_\_\_ Ohio Casualty Insurance Company \_\_\_\_\_, a corporation  
organized and existing under the laws of the State of \_\_\_\_\_ Ohio \_\_\_\_\_ 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 - - - - - 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 \_\_\_\_\_ 7th \_\_\_\_\_ day of \_\_\_\_\_ November \_\_\_\_\_, 19 88.

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 legislature 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 \_\_\_\_\_ November 7, 1988 \_\_\_\_\_

and ending \_\_\_\_\_ November 7, 1989 \_\_\_\_\_.

Witness our hands and seals this \_\_\_\_\_ 7th \_\_\_\_\_ day of \_\_\_\_\_ November \_\_\_\_\_, 19 88.

Signed, sealed, and delivered in the presence of - \_\_\_\_\_ X Jerome F Halek \_\_\_\_\_ (Seal)

(Seal)

as to principal

(Seal)

(Seal)

as to surety

**ACKNOWLEDGMENT OF PRINCIPAL**  
For Individual

STATE OF MINNESOTA

County of \_\_\_\_\_ } ss.

On this \_\_\_\_\_ 22 \_\_\_\_\_ day of \_\_\_\_\_ Nov \_\_\_\_\_, 19 88, before me, a notary public within and for said

County appeared \_\_\_\_\_ Jerome Frank Halek \_\_\_\_\_ 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.

Notary Public

\_\_\_\_\_ Cheryl K. Olancy \_\_\_\_\_  
NOTARY PUBLIC County, Minnesota  
HENNEPIN COUNTY  
My Commission expires \_\_\_\_\_ My Commission Expires Feb 14 1990

(SEAL)

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.

**CERTIFIED COPY OF POWER OF ATTORNEY**  
**THE OHIO CASUALTY INSURANCE COMPANY, HAMILTON, OHIO**

No. 23-202

**Known All Men by These Presents:** That THE OHIO CASUALTY INSURANCE COMPANY, in pursuance of authority granted by Article VI, Section 7 of the By-Laws of said Company, does hereby nominate, constitute and appoint:

Cheryl K. Clancy Nesser or James S. Nesser - - - - - of Minneapolis, Minnesota - - -  
its true and lawful agent(s) and attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf and as its act and deed bonds of the classes described below, not exceeding in any single instance the respective amounts set forth in column below entitled "LIMIT OF AUTHORITY":

Bonds to be filed in any Court of any State of the United States, or in any United States Court, conditioned according to law for the faithful performance of their official duties by	LIMIT OF AUTHORITY
ADMINISTRATORS and EXECUTORS .....	\$100,000.00
GUARDIANS, COMMITTEES, CONSERVATORS, CURATORS, TRUSTEES UNDER WILLS .....	\$50,000.00
RECEIVERS IN STATE OR EQUITY COURTS .....	\$25,000.00
RECEIVERS and TRUSTEES IN BANKRUPTCY PROCEEDINGS IN U.S. FEDERAL COURTS .....	\$100,000.00
Bonds of PLAINTIFFS ONLY in ATTACHMENT, REPLEVIN or GARNISHMENT proceedings .....	\$2,500.00
Bonds of PLAINTIFFS ONLY to cover payment of COURT COSTS .....	\$500.00
Bonds conditioned according to law for the faithful performance of their official duties by PUBLIC OFFICIALS, (including Notaries Public but EXCLUDING police officers, sheriffs, and tax collectors) .....	\$25,000.00
LICENSE and PERMIT BONDS required by the statutes of any State or the ordinances of any municipality of any State in the United States (EXCLUDING Warehouse Bonds and bonds required of Commission Merchants or Dealers in Securities, Livestock or Milk) .....	\$5,000.00
FORGERY BONDS .....	\$5,000.00

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 they had been duly executed and acknowledged by the regular elected officers of the Company at its office in Hamilton, Ohio, in their own proper persons.

The authority granted hereunder supersedes any previous authority heretofore granted the above named attorney(s)-in-fact .

In WITNESS WHEREOF, the undersigned, officer of the said The Ohio Casualty Insurance Company, has hereunto subscribed his name and affixed the Corporate Seal of the said Company,

this.....16th..... day of .....March..... 1987.....

*Richard T. Hoffman*  
Asst. Secretary

STATE of OHIO }  
COUNTY OF BUTLER } SS.

On this.....16th..... day of.....March..... A.D. 1987..... before me, a Notary Public of the State of Ohio, in and for the County of Butler, duly commissioned and qualified, came Richard T. Hoffman, Asst. Secretary of THE OHIO CASUALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn deposed and saith, that he is the officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and the said Corporate Seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal at the City of Hamilton, State of Ohio, the day and year first above written



*Dorothy Bilsee*  
Notary Public in and for County of Butler, State of Ohio

My commission expires.....December 25, 1991.....

**CERTIFICATE**

I, the undersigned, Assistant Secretary of THE OHIO CASUALTY INSURANCE COMPANY, do hereby certify that I have compared the foregoing copy of the Power of Attorney with the original thereof, and that the same is a correct and true copy of the whole of said original Power of Attorney, and I do hereby further certify that said Power of Attorney is still in force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this.....7th..... day of.....Nov..... A. D., 1988.....

*James S. Nesser*  
Assistant Secretary



Form SP:C1  
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: LIQUOR STORE  
LICENSING AUTHORITY: CRYSTAL  
(name of city, county or state agency issuing license)  
LICENSE RENEWAL DATE: \_\_\_\_\_

PERSONAL INFORMATION (if applicable):

Applicant's Name: Jerome F Halebek  
Applicant's Address: 6000 LAKELAND NW  
CRYSTAL MINN 55428  
City State Zip Code

Social Security Number: 470-44-9503

BUSINESS INFORMATION (if applicable):

Business Name: J F HALEBEK LIQUOR  
Business Address: 5600 BOSS LAKE ROAD  
MPLS MINN 55428  
City State Zip Code

Minnesota Tax Identification No.: 470 44 9503

Federal Tax Identification No.: 470 44 9503

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

Jerome F Halebek OWNER  
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: \_\_\_\_\_  
(NOT the insurance agent)

Policy Number or Self-Insurance Permit Number: \_\_\_\_\_

Dates of Coverage: \_\_\_\_\_

(or)

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

☒ I have no employees covered by the law.

☐ Other (Specify) SELF

\_\_\_\_\_  
\_\_\_\_\_  
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.

James F. Halek  
(SIGNATURE)

LEASE WITH OPTION TO PURCHASE

THIS AGREEMENT, made this First day of October 1, 1988, by and between Appraisal Research Associates hereinafter referred to as "Lessor" and Jerome F. Halek hereinafter referred to as "Lessee" for certain property located in the County of Hennepin, State of Minnesota, and legally described on Schedule A, a copy of which is attached hereto and made a part hereof.

IN CONSIDERATION of the covenants herein contained, Appraisal Research Associates, hereinafter called "Lessor", and Jerome F. Halek hereinafter called "Lessee" agree as follows:

1. The Lessor hereby leases to the Lessee exclusively to rent and manage the property described above and hereafter called the "premises", upon the terms hereinafter set forth, beginning on October 1, 1988 and continuing until the option in item 7 has been exercised or the term of this lease expires, which ever is earlier.

2. The Lessee agrees to accept the premises upon the terms herein provided and to furnish all the services and money necessary to operate the premises. Further, Lessee agrees to keep the premises in reasonable good condition, to pay all of the bills, including maintenance, insurance, taxes, and lease payments as set forth below.

3. Lessor agrees to pay all bills related to the premises due on or before September 30, 1988. Lessor to pay 3/4ths Real Estate Taxes due in 1988. Lessee to pay 1/4th Real Estate Taxes due in 1988. All rent due and payable before September 30, 1988 belongs to Lessor, and all rent due and payable October 1, 1988 and during the term of this lease shall belong to the Lessee.

4. Lessee is responsible for complete maintainance and repairs of the premises. In the event the Lessee shall default in his payment of the monthly rental, or should Lessee fail to pay taxes or any bills in connection with the premises herein, including insurance and appropriate utilities or any Part hereof, Lessor may, by written notice, declare this agreement cancelled and terminated and all rights and interest acquired hereunder by Lessee shall thereupon cease and terminate and all improvements made upon the premises and payments and option deposit made shall belong to Lessor as liquidated damages for breach of this contract by Lessee.

Initialed on behalf of the Lessor: \_\_\_\_\_

Initialed on behalf of the Lessee: \_\_\_\_\_

Said written notice shall be in accordance with the provisions of the Minnesota Statutes provided for the cancellation of contract for deed. In addition, any and all funds paid shall be forfeited by the Lessee.

5. Rent: The rent shall be paid monthly. The first installment shall become due and payable on ~~November~~ <sup>October</sup> 1, 1988 and each succeeding installment shall be due on the first day of each and every month thereafter. Payments received after the 7th day of the month will be assessed 1% of total payment late fee. This rental payment, ~~November~~ <sup>October</sup> 1, 1988 shall be referred to as payment number 1. The rental payments are as follows:

A) Rental Payment 1-32 shall be \$2,864.00 (~~November~~ <sup>October</sup> 1, 1988 thru May 1, 1991)

B) Rental Payment 33-116 (June 1, 1991 thru May 1, 1998) Shall be equal to the amount required to be paid under the terms of the mortgage note on said premises in favor of Northstar Bank of Roseville, Minnesota dated June 14, 1988, a copy of which is attached hereto and made a part hereof for the purposes of determining rental payments.

6. Term: To have and to hold unto the Lessee, for a term of nine(9) years eight(8) months beginning October 1, 1988 or until the option to exercise in paragraph 7.

7. Option to purchase; It is agreed that the Lessee shall have the right to purchase the premises at any time during the term of this lease for the sum of the existing mortgage + deposit already paid and the Lessor agrees not to sell said property during the term of this lease. This option must be exercised before expiration of lease, and may not be exercised prior to January 1, 1989. Lessee's notice of election to purchase shall be sufficient if delivered by certified mail addressed to Lessor at or before midnight of the day on which option term expires or at anytime prior to the time option term expires. The giving by Lessee of notice to exercise the purchase option herein before granted, shall fix or determine the right of Lessee to purchase the property included in the option which Lessee elects to exercise, and the obligation of Lessor to sell the same. Lessor shall furnish, free of expense to Lessee, within thirty (30) days after the receipt of said notice. A Title Certificate commonly referred to as a "Torrens Certificate of Title" showing merchantable title in Lessor as of a date not earlier than the date of said notice. A reasonable time will be allowed Lessee to examine such abstract or other evidence of title, and if the same does not then show good merchantable title in Lessor, a reasonable time will be allowed Lessor to cure defects and clear the title preparatory to delivery of deed and any other instruments.

Initialed on behalf of the Lessor: \_\_\_\_\_

Initialed on behalf of the Lessor: \_\_\_\_\_



required to effect the transfer and conveyance. See attached Exhibit A, the purchase agreement, to be used when the option is exercised.

8. Option to purchase deposit shall be \$18,000.00 payable (upon execution of the agreement on or about October 1, 1988). In the event of default, this agreement shall become null and void per terms specified in item No. 4 above. At the time the option is exercised the above deposit shall be refunded to Lessee to use for the down payment required in Exhibit A, "The Purchase Agreement:", by which the Lessee may acquire ownership in the above property.

9. Lessee shall, at its sole expense, keep the buildings on the above described premises, insured with a responsible insurance company against loss or damage by fire and other risks as are included under standard extended coverage in at least the sum of \$300,000.00. Naming first the fee owner, then the lender, then the Lessee, as additional names insured.

10. The Lessee shall not make any improvements to said property in excess of \$5,000.00 without written consent of Lessor.

11. The Lessor shall not further encumber said premises beyond existing first mortgage.

Initialed on behalf of the Lessor: \_\_\_\_\_

Initialed on behalf of the Lessee: *J.H.* \_\_\_\_\_



This agreement shall be binding upon the successors, heirs and assigns of the Lessee and Lessor.

IN WITNESS WHEREOF, the parties have affixed or caused to be affixed, their respective signatures this 12 day of September, 1988.

WITNESSES

LESSOR

David M. Berg, a partner

William J. Peterson  
William J. Peterson, a partner

William H. Cushman  
William H. Cushman, a partner

Peter J. Sampair  
Peter J. Sampair, a partner

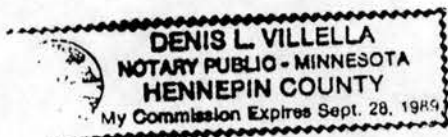
LESSEE

Jerome F. Halek  
Jerome F. Halek

STATE OF MINNESOTA }  
COUNTY OF HENNEPIN } ss.

The foregoing instrument was acknowledged before me this 12 day of September, 1988 by Jerome F. Halek.

Notary



Schedule A

LEGAL DESCRIPTION

Lot 2, Block 1, Les Brown Addition to Hennepin County, State of  
Minnesota.

# REAL ESTATE FINANCIAL CONSULTANTS, INC.

7845 Brooklyn Boulevard  
Suite 201  
Brooklyn Park, Minnesota 55445  
(612) 560-9480

(EXHIBIT A)

## PURCHASE AGREEMENT (ASSUMP. & C/D)

Minneapolis, Minn., 19

RECEIVED OF Jerome F. Halek  
the sum of One Thousand and no/100----- (\$ 1,000.00 ) DOLLARS  
Check  
(Check, Cash or Note - State Which) as earnest money and in part payment for the purchase of property at  
5600 Bass Lake Road situated in the  
County of Hennepin, State of Minnesota, and legally described as follows, to-wit:

Lot 2, Block 1, Les Brown Addition to Hennepin County, State of Minnesota.

including all garden bulbs, plants, shrubs and trees, all storm sash, storm doors, detachable vestibules, screens, awnings, window shades, blinds (including venetian blinds), curtain rods, traverse rods, drapery rods, lighting fixtures and bulbs, plumbing fixtures, hot water tanks and heating plant (with any burners, tanks, stokers and other equipment used in connection therewith), water softener and liquid gas tank and controls (if the property of seller), sump pump, television antenna, incinerator, built-in dishwasher, garbage disposal, ovens, cook top stoves and central air conditioning equipment, if any, used and located on said premises and including also the following personal property:

All property located on said premises owned by owner.

all of which property the undersigned has this day sold to the buyer for the sum of:

Existing First Mortgage Balance + \$18,000.00----- (\$ -----) DOLLARS,

which the buyer agrees to pay in the following manner:

Earnest money herein paid \$ 1,000.00 and \$ 17,000.00, cash, on See Option Agree., the date of closing.

\$ 282,000.00 or less by assuming and agreeing to pay according to its terms and conditions the balance of approximately this amount on the existing mortgage, recorded, against said premises, with interest thereon ~~at the rate of~~ \* per cent per annum. If there is any difference in the above amount, it shall be adjusted to ~~the purchase price~~ the purchase price. If it is required, the buyer agrees to make immediate application for the assumption of this mortgage and pay necessary costs. In the event the buyers cannot qualify to assume the above mortgage before closing date, this agreement shall become null and void, at seller's option, and the earnest money paid herein shall be refunded minus any expense for credit report. Buyer agrees to pay mortgage assumption fee, if any to the lending agency at time of closing. \* See mortgage note this is an adjustable rate mortgage

by contract for deed (Minn. Uniform Blank) between seller and purchaser payable in installments of \$ ----- per month or more, at the option of the buyer, including interest at the rate of % per annum computed on unpaid balances. Interest shall run from ----- First payment shall be due and payable on -----, and subsequent payments shall be due and payable on the ----- day of each succeeding month. Payments shall be credited first to interest and remainder to principal. The entire balance of this contract shall be due and payable in full no later than -----

Denis L. Villella stipulates he/she is representing the Seller  
Denis L. Villella stipulates he/she is representing the seller in this transaction.

Subject to performance by the buyer the seller agrees to execute and deliver a ----- Warranty Deed (to be joined in by spouse, if any) conveying marketable title to said premises subject only to the following exceptions:

- (a) Building and zoning laws, ordinances, State and Federal regulations.
  - (b) Restrictions relating to use or improvement of premises without effective forfeiture provision.
  - (c) Reservation of any minerals or mineral rights to the State of Minnesota
  - (d) Utility and drainage easements which do not interfere with present improvements.
  - (e) Rights of tenants as follows: (unless specified, not subject to tenancies) \*\* In year of sale
- The buyer shall pay the real estate taxes due in the year 19----- and any unpaid installments of special assessments payable therewith and thereafter. Seller warrants that real estate taxes due in the year 19----- will be ----- homestead classification (full, partial or non-homestead - state which)

Neither the seller nor the seller's agent make any representation or warranty whatsoever concerning the amount of real estate taxes which shall be assessed against the property subsequent to the date of purchase.

Seller covenants that buildings, if any, are entirely within the boundary lines of the property and that the same are not subject to any liens or encumbrances other than those disclosed in the public records. Seller warrants that the property is not subject to any liens or encumbrances other than those disclosed in the public records.

The seller further agrees to deliver possession not later than closing date or see option agreement provided that all conditions of this agreement have been complied with. Unless otherwise specified this sale shall be closed on or before 60 days from the date hereof.

In the event this property is destroyed or substantially damaged by fire or any other cause before the closing date, this agreement shall become null and void, at the purchaser's option, and all monies paid hereunder shall be refunded to him.

The buyer and seller also mutually agree that pro rata adjustments of rents, interest, insurance and city water, and, in the case of income property, current operating expenses, shall be made as of closing date

The seller shall, within a reasonable time after approval of this agreement, furnish an abstract of title, or a Registered Property Abstract certified to date to include proper searches covering bankruptcies, and State and Federal judgments and liens. The buyer shall be allowed 10 days after receipt thereof for examination of said title and the making of any objections thereto, said objections to be made in writing or deemed to be waived. If any objections are so made the seller shall be allowed 120 days to make such title marketable. Pending correction of title the payments hereunder required shall be postponed, but upon correction of title and within 10 days after written notice to the buyer the parties shall perform this agreement according to its terms.

If said title is not marketable and is not made so within 120 days from the date of written objections thereto as above provided, this agreement shall be null and void, at option of the buyer, and neither principal shall be liable for damages hereunder to the other principal. All money theretofore paid by the buyer shall be refunded. If the title to said property be found marketable or be so made within said time, and said buyer shall default in any of the agreements and continue in default for a period of 10 days, then and in that case the seller may terminate this contract and on such termination all the payments made upon this contract shall be retained by said seller and said agent, as their respective interests may appear, as liquidated damages, time being of the essence hereof. This provision shall not deprive either party of the right of enforcing the specific performance of this contract provided such contract shall not be terminated as aforesaid, and provided action to enforce such specific performance shall be commenced within six months after such right of action shall arise.

It is understood and agreed that this sale is made subject to the approval by the owner of said premises in writing and that the undersigned agent is in no manner liable or responsible on account of this agreement, except to return or account for the earnest money paid under this contract.

The delivery of all papers and monies shall be made at the office of:

Page 1 of 1

I, the undersigned, owner of the above land, do hereby approve the above agreement and the sale thereby made.

Seller

Seller

By

Agent

I hereby agree to purchase the said property for the price and upon the terms above mentioned, and subject to all conditions herein expressed.

Buyer

Buyer

THIS IS A LEGALLY BINDING CONTRACT. IF NOT UNDERSTOOD, SEEK COMPETENT ADVICE.



PROMISSORY NOTE

June 14, 1988

Amount: \$282,000.00  
Interest: First 3 years - 10.75%  
Thereafter - 3.75% over One Year  
T-Bill Yield  
Due: June 10, 1998

FOR VALUE RECEIVED, the undersigned, Appraisal Research Associates, a Minnesota General Partnership, promises to pay to the order of NORTH STAR STATE BANK OF ROSEVILLE, a Minnesota corporation (hereinafter the "Bank") at Roseville, Minnesota, or such other place as the holder hereof may designate in writing, the principal sum of Two Hundred Eighty Two Thousand Dollars (\$282,000.00), together with interest on the principal balances from time to time outstanding (computed on the basis of the actual number of days elapsed in a year of 365 days) (i) from the date hereof to and including June 9, 1991, at a fixed annual rate of 10.75% and (ii) from June 10, 1991 until this Note is paid in full, at an annual rate equal to three and three quarters percent (3.75%) in excess of the One Year T-Bill yield as hereinafter defined in effect on June 10, 1991 and on the 10th day of each June thereafter (each such date is hereinafter an "Interest Rate Adjustment Date"), the annual rate of interest herein to be adjusted as of each such Interest Rate Adjustment Date. As used herein, the "One Year T-Bill Yield" shall mean the yield in percent per annum, rounded to the nearest 0.25% of the most recent primary offering of one year U. S. Treasury Bills (auction average), as such yield is made available by the Federal Reserve Board, occurring in the month of May immediately prior to the Interest Rate Adjustment Date or if no such offering occurs in May the most recent of such offerings occurring prior thereto; provided, however, that in the event such yield is no longer available, the One Year T-Bill yield shall be a substantially comparable index selected by the Bank or the holder hereof in its sole discretion.

Commencing July 10, 1988 and on the 10th day of each and every month thereafter, until June 10, 1998, when the entire unpaid principal balance and any accrued interest thereon shall be due and payable, monthly installments of principal and interest shall be paid, each of such installments to be applied first to the payment of interest and then to the reduction of principal. The monthly installments of principal and interest payable on July 10, 1988 and on the 10th day of each and every month thereafter to and including June 10, 1991 shall be \$2,864.00. On June 10, 1991 and on each and every Interest Rate Adjustment Date



thereafter, the amount of the monthly principal and interest installments to be paid over the succeeding twelve (12) month period, with the first such monthly installment of principal and interest due and payable on July 10 immediately following the Interest Rate Adjustment Date, shall be adjusted to that amount (rounded up to the nearest One Dollar) which would completely amortize the unpaid principal of the Note as of the Interest Rate Adjustment Date and the interest thereon over that period of time equal to twenty (20) years less the number of years that have elapsed from June 10, 1988 to the Interest Rate Adjustment Date, at the annual rate of interest which went into effect on such Interest Rate Adjustment Date.

Anything in this Note to the contrary notwithstanding, the entire unpaid principal balance, and any accrued interest thereon, shall be due and payable on June 10, 1998.

The Note is secured by a Mortgage, Security Agreement and Financing Statement and an Assignment of Leases and Rents, both of even date herewith.

The undersigned may prepay the principal amount outstanding in whole or in part, without penalty. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments, unless the Bank shall otherwise agree in writing.

If any monthly installment under this Note is not paid when due, the entire principal balance of this Note, with all accrued interest thereon, shall, at the option of the Bank, then or at any time thereafter, become immediately due and payable. Any failure of the Bank to exercise such option to accelerate this Note at any time shall not constitute a waiver of the right to exercise the same right to acceleration at any subsequent time.

If suit is brought to collect this Note, the Bank shall be entitled to those monies actually loaned to the undersigned or advanced to the undersigned pursuant to this Note, together with interest accrued on such monies to date of collection and all reasonable costs and expenses of suit, including, but not limited to, reasonable attorney's fees for trial or for the pursuance of, or defense of, any appellate procedure.

Presentment, notice of dishonor and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligation of all makers,

sureties, guarantors and endorsers and shall be binding upon them, their heirs, personal representatives, successors and assigns.

This Note shall be governed by and be construed under the laws of the State of Minnesota.

*William H. Cushman*

William H. Cushman, a Partner

*Peter J. Sampair*

Peter J. Sampair, a Partner

*William J. Peterson*

William J. Peterson, a Partner

*David M. Berg*

David M. Berg, a Partner

copy

## SUPPLEMENT TO LEASE AGREEMENT

**THIS SUPPLEMENT TO LEASE AGREEMENT ("Lease")**, made on the same date as a Lease Agreement by and between Appraisal Research Associates, a Minnesota Partnership (hereinafter "Lessor") and Jerome F. Halek (hereinafter "Lessee"). The terms of this Supplement shall control in the event of inconsistent terms with the Lease Agreement.

**Real Estate Taxes.** Commencing January 1, 1989 and continuing for the term of the Lease Lessor shall pay an amount equal to one-twelfth (1/12) of the Property's annual real estate taxes as rent and same shall be due and payable with the monthly rent. Lessor shall not have any other obligation for real estate taxes after said date (except as otherwise specifically provided in this Lease).

**Adjustments for Increase in Real Estate Taxes.** In the event there shall be any change in Real Estate Taxes during the term of this Lease, the Lessee shall pay as additional rent any increases in such taxes.

**Impositions.** Lessee will also pay all Impositions and all charges for utility, communications, and other services rendered or used on or about the Property during the term, before any interest or penalty may be added; and will furnish to Lessor, upon request, satisfactory proof evidencing such payment. If any Imposition or other charge may legally be paid in installments, Lessee shall have the option to pay such Imposition or charge in installments, and Lessee shall only be liable for those installments coming due within the term. Lessor shall be responsible for all installments becoming due after the expiration of this Lease.

**Net Rent Provision.** It is the intention of the Lessor and the Lessee that the total rent specified in the Lease shall be net to the Lessor in each year during the term of this Lease. Accordingly, all cost, expenses, and obligations of every kind relating to the Property (except as otherwise specifically provided in this Lease) which may arise or become due during the term of this Lease shall be paid by the Lessee, and the Lessor shall be indemnified by the Lessee against such cost, expenses, and obligations.

The net rent shall be paid to the Lessor without notice or demand and without abatement, deduction, or set-off (except as otherwise specifically provided in this Lease). The net rent shall be paid in monthly installments in advance on the first day of each calendar month during the term of this Lease.

**Compliance with Requirements.** Lessee will promptly procure, maintain and comply with all permits, licenses and other authorizations required for the use of the Property in his business and for the lawful operation, maintenance, and repair of the Property or any part thereof. Lessee will not do any act or thing which constitutes a public or private nuisance. Lessor will join in the application for any permit or authorization with respect to any Legal Requirements if such joiner is necessary.

**Liens of Lessee.** If because of any act or omission of Lessee, any mechanic's lien or other lien, charge or order for the payment of money shall be filed against any portion of the Property, Lessee shall, at its own cost and expense, cause the same to be discharged of record or bonded within ninety (90) days after written notice from Lessor to Lessee of the filing thereof unless Lessee shall contest the validity of such liens in accordance with the paragraphs below.

**Removal of Liens.** If Lessee shall fail to cause such liens to be discharged of record or bonded within the aforesaid 90-day period (unless Lessee shall contest the validity of such lien as aforesaid) or satisfy such liens within sixty (60) days after any judgment in favor of



such lien holders from which no further appeal might be taken, then Lessor shall have the right to cause the same to be discharged. All amounts paid by Lessor to cause such liens to be discharged shall constitute additional rent immediately payable by Lessee to Lessor.

**Contest Proceedings.** Lessee may contest by appropriate proceedings, the amount, validity, or application of any Imposition, Legal Requirement, or any lien arising therefrom provided that:

- (a) such proceedings shall suspend the collection thereof,
- (b) no part of the Property or of any rent would be subject to loss, sale, or forfeiture before determination of any contest,
- (c) Lessor would not be subject to any criminal liability for failure to pay,
- (d) such proceedings shall not affect the payment of rent hereunder or prevent Lessee from using the Property for its intended purposes, and
- (e) Lessee shall notify Lessor of any such proceedings at which the amount in contest exceeds One Thousand dollars (\$1,000.00) within ten (10) days after the commencement thereof, and shall describe such proceedings in reasonable detail.

Lessee will conduct all such contests in good faith and with due diligence and will, promptly after the determination of such contest, pay and discharge all amounts which shall be determined to be payable therein.

**Refunds.** Lessor covenants and agrees that if there shall be any refunds or rebates of the Impositions paid by Lessee, such refunds or rebate shall belong to Lessee. Any such refunds received by Lessor shall be deemed trust funds and as such are to be received by Lessor in trust and paid to Lessee forthwith. Lessor will, upon the request of Lessee, sign any receipts which may be necessary to secure the payment of any such refunds or rebates, and will pay over to Lessee such refunds or rebates as received by Lessor.

**Maintenance, Repairs and Replacements.** Lessee will keep the Property in good order and condition and shall, at its own expense, make all necessary repairs and replacements to the Property including, but not limited to pipes, heating system, plumbing system, window glass, fixtures, electrical system and all other appliances and their appurtenances, all equipment used in connection with the Property, and the sidewalks, curbs, and vaults adjoining or appurtenant to the Property, and shall take such other action as may be necessary or appropriate to keep and maintain the Property in good order and condition. Such repairs and replacements, interior and exterior, ordinary as well as extraordinary, and structural as well as non-structural, shall be made promptly as and when necessary. All repairs and replacements shall be in quality and class at least equal to the original work. Lessor shall not be required to furnish any services or facilities or to make any repair or alteration in any of the Property or adjoining areas. The Lessee hereby assumes the full and sole responsibility for the condition, operation, repair, replacement, maintenance, and management of the Property and adjoining areas. Lessor will not be liable for any labor, services, or materials furnished or to be furnished to Lessee, or to anyone holding the Property or any part thereof through or under Lessee, and no mechanics' or other liens for any such labor or materials shall attach to or affect the interest of Lessor in and to the Property.



**Alterations and Additions.** Provided there is no continuing Event of Default, Lessee may make additions or improvements to or alterations of the Property. All maintenance and repair, and each such addition, improvement, or alteration (i) must not, individually or in the aggregate, substantially lessen the Fair Market Value of the Property or materially affect the Property's usefulness, (ii) shall be completed expeditiously in a good and workmanlike manner, and in compliance with all Legal Requirements and all Insurance Requirements, and (iii) shall become part of the Property and subject to this Lease. Any additions or improvements in excess of \$5,000.00 may not be made without the prior written authorization of Lessor.

**Indemnification.** Lessee hereby indemnifies, and shall protect and hold Lessor harmless from and against all liabilities, losses, claims, demands, costs, expenses, and judgments of any nature arising, or alleged to arise, from or in connection with:

- (a) any injury to, or the death of, any person or loss or damage to property on or about the Property or any adjoining property arising from or connected with the use of the Property by Lessee during the term,
- (b) the performance of any labor or services or the furnishing of any materials or other property in respect of the Property or any part thereof by or at the request of Lessee, or

Lessee will resist and defend any action, suit or proceeding brought against Lessor by reason of any such occurrence by counsel designated by Lessor.

**Insurance Coverage.** Lessee will maintain with insurers authorized to do business in the state of Minnesota and which are well rated by any recognized national rating organization:

- (a) fire insurance and insurance with respect to risks from time to time included under the standard extended coverage endorsement, including vandalism and malicious mischief, in amounts sufficient to prevent Lessor and Lessee from becoming co-insurers of any loss but in any event the greater of \$300,000.00 or the then Full Insurable Value of the Property as determined from time to time.
- (b) comprehensive general public liability insurance against claims for bodily injury, death, or property damage arising out of the use or occupancy of the Property by Lessee, in a combined single limit amount of not less than One Million Dollars (\$1,000,000.00).  
500,000.00 DMB 9/2/88 CDB/C  
WS
- (c) not contain a provision relieving the insurer

**Insurance Certificate.** Promptly after the commencement of the term of this Lease, Lessee shall deliver to Lessor certificates of the insurers evidencing all the insurance which is required to be maintained hereunder by Lessee, and, within 30 days prior to the expiration of any such insurance, other certificates evidencing the renewal of such insurance.

**Risk of Loss.** No destruction or damage to any building or improvement on the property by fire, wind storm or any other casualty shall entitle the Lessee to surrender possession of the leased property, to terminate this Lease, to violate any of its provisions, or to cause any rebate or abatement in rent then due or thereafter becoming due under the terms hereof, except as hereinafter afforded.

**Condemnation or Insurance Awards.** Lessee hereby assigns to Lessor any award or payment on account of any damage, destruction, or Taking which is payable in connection with the Property. Provided Lessor is fully compensated for the property taken, and provided the property damaged or destroyed is fully restored, Lessee shall be entitled to that portion of the net award representing payment for Lessee's lease hold interest, trade fixtures, moving expenses, business interruption, or loss of profits. All amounts paid pursuant to an agreement with a condemning authority in connection with any Taking shall be deemed to constitute an award on account of such Taking. Lessee agrees that this Lease shall control the rights of Lessor and Lessee in any such award, and any contrary provision of any present or future law is hereby waived.

**Notice.** If there is any damage to or destruction of the Property or if any proceedings or negotiations are instituted which do or may result in a Taking, each party will promptly give notice thereof to the other, describing the nature and extent thereof.

**Damage and Restoration.** In the event of damage to or destruction of the leased property by fire or other casualty, Lessee will promptly commence and complete Restoration of the Property. All insurance proceeds received by the Lessor pursuant to the provisions of this Lease, less the cost if any of such recovery, shall be held in trust and applied by the Lessor to the payment of such Restoration, as such Restoration progresses.

**Deficiency.** In the event the proceeds of insurance are insufficient to pay the full cost of repair or restoration, the Lessee shall pay the deficiency.

**Lessee Default.** Any insurance monies or proceeds in the hands of the Lessor or mortgagee or held in trust shall not be required to be paid out if, at the time of the request for payment, the Lessee is in default in the performance of any term in this Lease as to which notice of default has been given and which has not been remedied within the time limit specified in this Lease.

**Continuation of Lease.** Except as otherwise provided in this Lease, this Lease shall not terminate or be affected in any manner by reason of damage or destruction, by fire or other casualty, in whole or in part, of the Property or the building or improvement thereon, or by reason of the nontenantability of the leased property and except as otherwise provided herein, the monthly rent reserved in this Lease, as well as all other rent, and charges payable hereunder, shall be paid by the Lessee in accordance with the terms of this Lease, without abatement, diminution or reduction of rent on account of any such damage or destruction.

**Prohibition Against Unlawful, Disreputable, or Extra-hazardous Use.** The Lessee shall not use or knowingly permit any part of the Property to be used for any unlawful purpose, or for any business, use, or purpose deemed disreputable or extra-hazardous, or for any purpose or in any manner which is in violation of any present or future governmental laws or regulations. The Lessee shall promptly, after the discovery of any such unlawful, disreputable, or extra-hazardous use, take all necessary steps, legal and equitable, to compel the discontinuance of such use and to oust and remove any sub-tenants, occupants, or other persons guilty of such unlawful, disreputable, or extra-hazardous use in accordance with local, state and federal laws. The Lessee shall not use or permit the use of the Property for any purpose which in the reasonable opinion of the Lessor would adversely affect the then value or character of the Property.

**Assignment and Sublease.** Lessee may not mortgage, pledge, or otherwise encumber its interest in this Lease except by subleasing individual apartments. Lessee may not assign this Lease or sublet the entire Property as a whole without the prior written consent of Lessor.

Any such sublease or assignment shall expressly be subject to the provisions of this Lease. No such assignment or sublease shall affect or reduce any obligations of Lessee hereunder, and all obligations of Lessee hereunder shall continue in full effect as the obligations of principal and not as a guarantor or surety, to the same extent as though no assignment or sublease had been made.

**Performance.** Any act required to be performed by Lessee pursuant to the terms of this Lease may be performed by any sublessee or assignee of Lessee and the performance of such act shall be deemed to be performance by Lessee and shall be acceptable as Lessee's act by Lessor.

**Subordination and Non-disturbance.** This Lease and all rights of the Lessee hereunder are and shall be subject and subordinate to the lien of any and all current and future mortgages, or consolidated mortgage or mortgages, which may now or hereafter affect the Property, or any part thereof, and to all renewals, modifications, consolidations, replacements, and extensions thereof, provided that any such new mortgage placed upon the Property shall provide that so long as there shall be outstanding no continuing Event of Default in any of the terms, conditions, covenants, or agreements of this Lease on the part of the Lessee to be performed, the lease hold estate of the Lessee created hereby and Lessee's peaceful and quiet possession of the Property shall be undisturbed by any foreclosure of such mortgage, the Net Award will be made available for Restoration, and the lien thereof will be released in the event Lessee purchases the Property.

**Lessee's Trade Fixtures and Equipment.** Lessor agrees that all removable trade fixtures, signs, equipment, furniture, or other personal property of whatever kind and nature kept on the Property by Lessee shall not become the property of Lessor or a part of the realty and may be removed by Lessee at any time and from time to time during the entire term of this Lease.

**Surrender in Broom Clean and Good Condition.** Upon the expiration or earlier termination of this Lease, Lessee shall surrender the Property to Lessor broom clean and in good order and condition, ordinary wear and tear excepted. Prior to such expiration or earlier termination, Lessee shall repair any and all damage or destruction to the Property, or turn over to Lessor, from insurance awards or other sources, an amount equal to the cost of restoration; and shall remove from the property all of its personal property situated thereon and shall repair any damage caused by such removal. Property not so removed shall become the property of Lessor.

**Delay.** If the Property is not surrendered at the end of the term or in accordance with other provisions of this Lease, the Lessee shall make good to the Lessor all damage which the Lessor shall suffer by reason thereof, and shall indemnify the Lessor against all claims made by any succeeding tenant against the Lessor founded upon delay by the Lessor in delivering possession of the leased property to such succeeding tenant, so far as such delay is occasioned by the failure of the Lessee to surrender the property.

**Purchase Option.** Lessee shall give notice of its intention to exercise its option to purchase on or before January 1, 1998. If such option is exercised, the Lessor and Lessee shall, within thirty (30) days after such exercise, execute and acknowledge a contract for sale according to the terms of the Purchase Agreement (Exhibit A). On the date of such purchase, Lessor shall convey marketable title to the Property to Lessee upon receipt of payment of the purchase price therefore.

**Marketable Title, Liens.** Upon the purchase by Lessee of the Property pursuant to this Lease, Lessor shall transfer marketable title to Lessee subject, nevertheless, to all liens,



encumbrances, charges, exceptions, and restrictions affecting the Property as of the Commencement Date (excluding any monetary liens or encumbrances) and those attaching thereto on or after such date (a) which shall be or have been expressly consented to in writing by Lessee or (b) for the discharge of which Lessee is responsible under this Lease, and subject to all Legal Requirements, but free of all liens which secure amounts or obligations which Lessee is not obligated to pay or discharge under this Lease.

**Settlement.** Upon the date fixed for any such purchase, Lessee shall pay to Lessor at its address for notices hereunder or otherwise as may be designated by Lessor, the purchase price specified herein, by certified or official bank check payable to the order of Lessor or its designee, and Lessor shall deliver to Lessee an appropriate instrument or instruments of transfer of the interest in the Property. Upon the completion of such purchase, this Lease and all obligations hereunder shall terminate, with the exception of actual or contingent obligations and liabilities which arose on or prior to such date of purchase.

**Events of Default.** The Lessor may give the Lessee fifteen (15) days notice of its intention to terminate this Lease in any of the following circumstances which shall be considered Events of Default:

(a) **Breach.** If the Lessee shall be in default in the performance of any covenant of this Lease (other than the covenants for the payment of rent) and if such default is not cured within fifteen (15) days after written notice thereof given by the Lessor; or, if such default shall be of such nature that it cannot be cured completely within such fifteen day period, if the Lessee shall not have promptly commenced within such fifteen day period or shall not thereafter proceed with reasonable diligence and in good faith to remedy such default.

(b) **Abandonment.** If the property becomes vacant or deserted for a period of thirty (30) days.

(c) **Assignment.** If this Lease shall be assigned or the leased property sublet other than in accordance with the terms of this Lease and such default is not cured within fifteen (15) days after notice.

(d) **Rent.** If the Lessee shall be in default in the payment of any monthly rent or additional rent and such default is not cured within five (5) business days after mailing of written notice thereof by the Lessor to the Lessee at the address of the property.

**Termination.** In the event the Lessor shall give the notice of termination provided above, then at the expiration of such period this Lease shall terminate as completely as if that were the date fixed for the expiration of the term of this Lease, and the Lessee shall then surrender the leased property to the Lessor. If this Lease shall so terminate, it shall be lawful for the Lessor, at its option, without formal demand or notice of any kind to re-enter the leased property by an unlawful detainer action or by any other lawful means, and to remove the tenant therefrom without being liable for any damages therefore. On the termination of this Lease, the Lessor shall have the right, at its election, to terminate any sublease then in effect, without the consent of the subtenant concerned.

**Default, Lease not Terminated.** In the event the Lessee is in default in the performance of any of the terms of this Lease and fails to cure within the number of days prescribed above and the Lessor does not give the notice of termination provided above, the Lessee shall nevertheless lose all right to exercise its option to purchase.



**Deficiency.** In the event the Lease shall terminate as provided in this Article, Lessee shall pay to Lessor as liquidated damages for the failure of Lessee to observe and perform Lessee's covenants herein contained any deficiency between the rent hereby reserved and/or agreed to be paid and the net amount, if any, of the rents collected on account of the lease or leases of the Property for each month of the period which would otherwise have constituted the balance of the term of this Lease. In computing such liquidated damages, there shall be added to the said deficiency such reasonable expenses as Lessor may incur in connection with reletting, such as brokerage and preparation for reletting. Any suit brought to collect the amount of the deficiency for any period shall not prejudice in any way the rights of Lessor to collect the deficiency for any subsequent period by a similar proceeding. Lessor, at Lessor's option, may make such alterations, repairs, replacements, and/or decorations in the Property as Lessor, in Lessor's sole judgment, considers advisable and necessary for the purpose of reletting the premises; and the making of such alterations, repairs, replacements, and/or decorations shall not operate or be construed to release Lessee from liability hereunder as aforesaid. Lessor agrees to use its best effort to mitigate all damages and to relet the Property in the event of any Default specified.

**Quiet Enjoyment.** Upon due performance of the covenants and agreements to be performed by Lessee under this Lease, Lessor covenants that Lessee shall and may at all times peaceably and quietly have, hold and enjoy the Property during the term of this Lease, subject, however, to the reservations and conditions of this Lease and the fee mortgage to which this Lease is subordinate.

**Captions.** The paragraph headings are for convenience only and shall not limit or otherwise affect the meaning hereof.

**Counterparts.** This Lease may be simultaneously executed in counterparts, each of which, when so executed and delivered, shall constitute an original, fully enforceable counterpart for all purposes.

**Relationship of Parties.** Lessor and Lessee shall not be considered or deemed to be joint ventures or partners and neither shall have the power to bind or obligate the other except as set forth herein.

**Construction.** All terms used in this Lease, regardless of the number or gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and by other gender, masculine, feminine, or neuter, as the context or sense of this Lease or any section, subsection, or clause herein may require as if such terms had been fully and properly written in such number or gender.

**Default.** In the event of any breach of any covenants of the parties to this Lease Lessor may use any and all remedies at equity or law. In the event of default by the Lessee, the Lessee agrees to pay all costs and expenses, including reasonable attorney fees, that Lessor may incur in enforcing the terms of this Agreement.

**Parties to be Bound.** This Lease shall be binding on Lessee and Lessor, their officers, directors, and employees, subsidiaries, divisions, parent and sister companies, agents, representatives, affiliates, heirs, administrators, executors, assigns, and successors, and all those acting in concert therewith.

**Modification of Lease.** This written document constitutes the full, complete and final expression of the Lease of the parties and there are no other prior or contemporaneous oral or written Agreements. This Lease may not be modified or amended except by a writing signed by a duly authorized representative of each party. Lessor and Lessee acknowledge

that they are entering into this Lease solely on the basis of the representations made herein. No changes, additions, or interlineations made to this Lease shall be binding unless initialed by each of the parties.

**Scope.** In the event that any provision of this Lease is held to be too broad, in any respect whatsoever to permit enforcement to its full extent, by the final judgment of any court of competent jurisdiction, then such provision shall be enforced to the maximum extent permitted by law.

**Severability.** In the event that any provision of this Lease is held invalid by the final judgment of any court of competent jurisdiction, the remaining provision(s) shall remain in full force and effect as if such invalid provision had not been included herein.

**Waiver.** The waiver or failure of either party to enforce the terms of this Lease in one instance shall not constitute a waiver of said party's rights under this Lease with respect to other violations.

**Minnesota Law to Govern.** This Agreement shall be interpreted and governed by the laws of the State of Minnesota.

**Notices.** Any notice required herein or by law shall be sent by certified U.S. Mail, postage prepaid, return receipt requested according to the following:

If to Lessee

Jerome F. Halek

6000 Lakeland Ave  
Cryptol mn 55428

If to Lessor

Appraisal Research Associates

\_\_\_\_\_

IN WITNESS WHEREOF, the parties have executed this Lease as of the 12 day of September, 1988.

Lessee

Jerome F. Halek  
Jerome F. Halek

Appraisal Research Associates

David Berg  
Peter Sampair

William H. Cushman  
William Cushman

William Peterson  
William ~~Cushman~~ Peterson

Closing Statement

Closing date: September 12, 1988

Lease Start Date: October 1, 1988

Re: 5600 Bass Lake Road

Between: Appraisal Research Associates(Lessor) and Jerome T. Halek(Lessee).

The above parties agree and acknowledge as follows:

The Lessor hereby acknowledges receipt of \$16,500.00, as full deposit from Lessee.

The Lessor hereby transfers to Real Estate Financial Consultants, Inc \$16,500.00 as their full and complete fee for "leasing with option" the above premises to Jerome F. Halek.

Lessor shall seal coat, patch and stripe driveway not to exceed \$650.00 prior to October 1, 1988, or Lessee shall bill Lessor.

The Lessee has received copies of all the existing leases, and is aware their is one vacant suite, approximately 1,244 Sq.Ft. on said premises.

Warranties and Representations

It is expressly understood that Lessee is leasing the premises herein in the "as is" condition; that Lessee has made his own inspection of the premises and knows the condition thereof; that Lessee has personally made his own determination as to the income potential, operating expenses, and the economics of the payments required under this agreement; that this contract contains the entire agreement between the parties, and that neither party has relied upon any verbal representation, agreements, or understanding, not set forth herein, whether made by an agent, or the parties hereto.

9/12/88  
Date

LESSOR

David M. Berg, a partner

Sept-12, 1988  
Date

William J. Peterson, a partner

9/12/88  
Date

William H. Cushman, a partner

9-12-88  
Date

Peter J. Sampair, a partner

9/12/88  
Date

LESSEE

Jerome T. Halek

9/12/88  
Date

AGENT

Denis L. Villella



Assignment of Leases

Date: September 12, 1988

Effective October 1, 1988 Appraisal Research Associates (a Minnesota General Partnership) hereby assigns all leases now in existence on 5600 Bass Lake Road to Jerome F. Halek.

The above is only subject to the assignment referred to in conjunction with said first mortgage to Northstar Bank of Roseville, Minnesota.

9/12/88  
-----  
Date


Sep 12, 1988  
-----  
Date


9/12/88  
-----  
Date

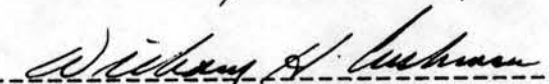
9-12-88  
-----  
Date

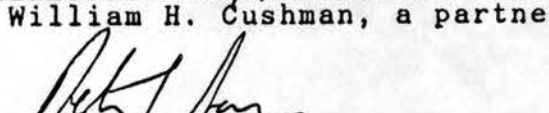
9/12/88  
-----  
Date

LESSOR

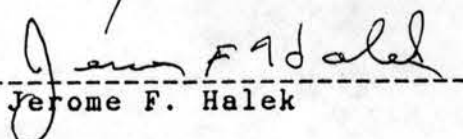
  
-----  
David M. Berg, a partner

  
-----  
William J. Peterson, a partner

  
-----  
William H. Cushman, a partner

  
-----  
Peter J. Sampair, a partner

LESSEE

  
-----  
Jerome F. Halek



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

December 9, 1988

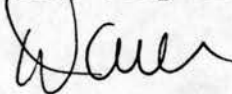
Mr. Jerry Dulgar  
City Manager  
City of Crystal  
4141 Douglas Drive North  
Crystal, Minnesota 55422

Re: General Obligation Community Center Bonds  
City of Crystal, Minnesota

Dear Jerry:

Enclosed find the text of an extract of minutes showing adoption of a resolution authorizing the sale for the above bonds for consideration by the City Council on Tuesday night.

Yours very truly,



David J. Kennedy

DJK:caw

Enclosures

Extract of Minutes of Meeting  
of the City Council of the City  
of Crystal, Hennepin County, Minnesota

Pursuant to due call and notice thereof a regular meeting of the City Council of the City of Crystal, Hennepin County, Minnesota, was held at the City Hall in the City on Tuesday, December 13, 1988, commencing at 7:00 P.M.

The following members of the Council were present:

and the following were absent:

\*\*\*

\*\*\*

\*\*\*

The following written resolution was presented by Councilmember \_\_\_\_\_ who moved its adoption the reading of which had been dispensed with by unanimous consent:

RESOLUTION NO. 88-\_\_\_\_\_

RESOLUTION PROVIDING FOR THE ISSUANCE  
AND SALE OF \$2,000,000 GENERAL OBLIGATION  
COMMUNITY CENTER BONDS, SERIES 1989A

BE IT RESOLVED By the City Council of the City of Crystal, Hennepin County, Minnesota (City) as follows:

1. It is hereby determined that:
  - (a) at a duly called and regularly held general election on November 8, 1988, the voters of the City approved the issuance and sale by the City of \$2,000,000 general obligation bonds of the City pursuant to Minnesota Statutes, Chapter 475 (Act).

- (b) the purpose of the bonds as approved by the voters is to provide a portion of the financing for the construction of a new community center building (Project); and
- (c) it is necessary and expedient to the sound financial management of the affairs of the City to issue \$2,000,000 General Obligation Community Center Bonds, Series 1989A (Bonds) to provide financing for the Project.

2. In order to provide financing for the Project, the City will therefore issue and sell its Bonds in the amount of \$1,970,000. In order to provide in part the additional interest required to market the Bonds at this time, additional Bonds will be issued in the amount of \$30,000. The excess of the purchase price of the Bonds over the sum of \$1,970,000 shall be credited to the debt service fund for the Bonds for the purpose of paying interest first coming due on the additional Bonds. The Bonds will be issued, sold and delivered in accordance with the terms of the following Official Terms of Offering:

## OFFICIAL TERMS OF OFFERING

**\$2,000,000**

**CITY OF CRYSTAL, MINNESOTA**

**GENERAL OBLIGATION COMMUNITY CENTER BONDS, SERIES 1989A**

Sealed bids for the Bonds will be opened by the City on Tuesday, January 17, 1989, at 2:00 P.M., Central Time, at the offices of SPRINGSTED, Incorporated, 85 East Seventh Place, Suite 100, Saint Paul, Minnesota 55101-2143. Consideration for award of the Bonds will be by the City Council at 7:00 P.M., Central Time, of the same day.

### DETAILS OF THE BONDS

The Bonds will be dated February 1, 1989, as the date of original issue, and will bear interest payable on February 1 and August 1 of each year, commencing February 1, 1990. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the MSRB. The Bonds will be issued in the denomination of \$5,000 each, or in integral multiples thereof as requested by the Purchaser, and fully registered as to principal and interest. Principal will be payable at the main corporate office of the Registrar and interest on each Bond will be payable by check or draft of the Registrar mailed to the registered holder thereof at his address as it appears on the books of the Registrar as of the 15th day of the calendar month next preceding the interest payment.

The Bonds will mature February 1 in the amounts and years as follows:

\$ 90,000	1992	\$125,000	1997	\$175,000	2002
\$ 95,000	1993	\$135,000	1998	\$185,000	2003
\$100,000	1994	\$140,000	1999	\$200,000	2004
\$110,000	1995	\$150,000	2000	\$215,000	2005
\$115,000	1996	\$165,000	2001		

### OPTIONAL REDEMPTION

The City may elect on February 1, 1998, and on any interest payment date thereafter, to prepay Bonds due on or after February 1, 1999. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, those Bonds remaining unpaid which have the latest maturity date will be prepaid first. If only part of the Bonds having a common maturity date are called for prepayment the specific Bonds to be prepaid will be chosen by lot by the Registrar. All prepayments shall be at a price of par and accrued interest.

### SECURITY AND PURPOSE

The Bonds will be general obligations of the City for which the City will pledge its full faith and credit and power to levy direct general ad valorem taxes. The proceeds will be used for the construction of a community center.

### TYPE OF BID

A sealed bid for not less than \$1,970,000 and accrued interest on the total principal amount of the Bonds shall be filed with the undersigned prior to the time set for the opening of bids. Also prior to the time set for bid opening, a certified or cashier's check in the amount of \$20,000, payable to the order of the City, shall have been filed with the undersigned or SPRINGSTED Incorporated, the City's Financial Advisor. No bid will be considered for which said check has not been filed. The



check of the Purchaser will be retained by the City as liquidated damages in the event the Purchaser fails to comply with the accepted bid. The City will deposit the check of the Purchaser, the amount of which will be deducted at settlement. No bid shall be withdrawn after the time set for opening bids unless the meeting of the City scheduled for consideration of the bids is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates offered by Bidders shall be in integral multiples of 5/100 or 1/8 of 1%. No rate specified for a maturity shall exceed the rate specified for any subsequent maturity. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity.

#### AWARD

The Bonds will be awarded to the Bidder offering the lowest dollar interest cost to be determined by the deduction of the premium, if any, from, or the addition of any amount less than par, to the total dollar interest on the Bonds from their date to their final scheduled maturity. The City's computation of the total net dollar interest cost of each bid, in accordance with customary practice, will be controlling.

The City will reserve the right to: (i) waive nonsubstantive informalities of any bid or of matters relating to the receipt of bids and award of the Bonds, (ii) reject all bids without cause, and, (iii) reject any bid which the City determines to have failed to comply with the terms herein.

#### REGISTRAR

The City will name the Registrar which shall be subject to applicable SEC regulations. The City will pay for the services of the Registrar.

#### CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the Purchaser to accept delivery of the Bonds. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

#### SETTLEMENT

Within 40 days following the date of their award, the Bonds will be delivered without cost to the Purchaser at a place mutually satisfactory to the City and the Purchaser. Delivery will be subject to receipt by the Purchaser of an approving legal opinion of LeFevre, Lefler, Kennedy, O'Brien & Drawz, a Professional Association of Minneapolis, Minnesota, which opinion will be printed on the Bonds, and of customary closing papers, including a no-litigation certificate. On the date of settlement payment for the Bonds shall be made in federal, or equivalent, funds which shall be received at the offices of the City, or its designee, not later than 1:00 P.M., Central Time. Except as compliance with the terms of payment for the Bonds shall have been made impossible by action of the City, or its agents, the Purchaser shall be liable to the City for any loss suffered by the City by reason of the Purchaser's noncompliance with said terms for payment.

#### OFFICIAL STATEMENT

Underwriters may obtain a copy of the Official Statement by request to the City's Financial Advisor prior to the bid opening. The Purchaser will be provided with 25 copies of the Official Statement.

Dated December 13, 1988

BY ORDER OF THE CITY COUNCIL

/s/ Darlene George  
Clerk

3. The Clerk is authorized and directed to advertise the Bonds for sale in accordance with the foregoing Official Terms of Offering and to cause the abbreviated notice of sale attached hereto as Exhibit A to be published in the manner required by law. The City Council will meet at 7:00 p.m. on Tuesday, January 17, 1989, to consider bids on the Bonds and take any other appropriate action with respect to the Bonds.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember \_\_\_\_\_, and upon vote being taken thereon the following members voted in favor of the motion:

and the following voted against:

whereupon the resolution was declared duly passed and adopted.

NOTICE OF BOND SALE  
 \$2,000,000  
 GENERAL OBLIGATION COMMUNITY CENTER  
 BONDS, SERIES 1989A  
 CITY OF CRYSTAL,  
 HENNEPIN COUNTY, MINNESOTA

NOTICE IS HEREBY GIVEN that sealed bids for the purchase of the above bonds will be received until 2:00, p.m., C.T. on Tuesday, January 17, 1989, in the offices of Springsted, Incorporated, 85 East Seventh Place, Suite 100, St. Paul, Minnesota 55101, at which time the bids will be opened and tabulated for consideration by the City Council at a meeting at 7:00 p.m. on the same day. The bonds are offered on the following terms. The bonds will be dated February 1, 1989, will bear interest payable semiannually on each February 1 and August 1, commencing February 1, 1990, and will mature on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1992	\$ 90,000	1999	\$140,000
1993	95,000	2000	150,000
1994	100,000	2001	165,000
1995	110,000	2002	175,000
1996	115,000	2003	185,000
1997	125,000	2004	200,000
1998	135,000	2005	215,000

The City may elect on February 1, 1998 or on any interest payment date thereafter to redeem and prepay bonds of this issue in whole or in part, in inverse order of maturities and by lot within maturities, maturing on or after February 1, 1999 at a price of par plus accrued interest to date of redemption.

Bidders must specify a price of not less than \$1,970,000 plus accrued interest. A legal opinion on the bonds will be furnished by LeFevre, Lefler, Kennedy, O'Brien & Drawz, a Professional Association, Minneapolis, Minnesota. The proceeds of the bonds will be used to finance the construction of a community center building in the City.

Bidders should be aware that the Official Statement to be distributed for the bonds may contain additional bidding terms and information relative to the bonds. In the event of a variance between statements in this Notice of Bond Sale and the Official Statement bidders must comply with the terms of the latter.

BY ORDER OF THE CITY COUNCIL

/s/ Darlene George  
 City Clerk

Dated: December 13, 1988.

STATE OF MINNESOTA     )  
                              )  
COUNTY OF HENNEPIN    )  
                              )  
CITY OF CRYSTAL        )

I, the undersigned, being the duly qualified and acting Clerk of the City of Crystal, Minnesota, hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on Tuesday, December 13, 1988, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes, insofar as they relate to the issuance and sale of \$2,000,000 General Obligation Community Center Bonds, Series 1989A of the City.

WITNESS My hand as City Clerk and the corporate seal of the City this \_\_\_\_ day of \_\_\_\_\_, 1988.

\_\_\_\_\_  
City Clerk  
City of Crystal, Minnesota

(SEAL)

CI:00111288.RAU



RECOMMENDATIONS

FOR

CITY OF CRYSTAL, MINNESOTA

\$2,000,000

GENERAL OBLIGATION COMMUNITY CENTER BONDS, SERIES 1989A

Study No. 3455  
December 8, 1988  
SPRINGSTED Incorporated



## SPRINGSTED

PUBLIC FINANCE ADVISORS

85 East Seventh Place, Suite 100  
Saint Paul, Minnesota 55101-2143  
612-223-3000  
FAX: 612-223-3002

December 8, 1988

Mayor Thomas N. Aaker  
Members, City Council  
Mr. Jerry Dular, City Manager  
Mr. Miles Johnson, Treasurer  
Crystal City Hall  
4141 Douglas Drive North  
Crystal, Minnesota 55422

RE: Recommendations for the Issuance of \$2,000,000 General Obligation  
Community Center Bonds, Series 1989A

We respectfully request your consideration of our recommendations for the issuance of these bonds. These bonds were authorized by the City voters at an election held November 8, 1988 by a vote of 6,422 (yes) to 5,533 (no).

We recommend the bonds be dated February 1, 1989, and the first interest payment will be due February 1, 1990. Appendix I shows our recommended maturity schedule with principal due February 1, 1992 through 2005. Repayment of the issue will require 15 annual levies which will be certified by the County Auditor at 105% of actual debt service in the resolution you will adopt at the time of award of the bonds.

We have been advised that the City will levy for the first time in 1989 for this bond issue. The 1989 levy will need to include 24 months of interest through February 1, 1991, in an estimated amount of \$298,349, including the 5% overlevy. Therefore, the first principal payment has been delayed until 1992, payable from the 1990 levy. The first collection of the 1989 levy will be available to the City for payment of debt service in July of 1990. Interest payments on the bonds must commence within one year of the date of issuance, or February 1, 1990. Therefore, in order to make the February 1, 1990 interest payment, it will be necessary for the City to use other available funds, which can be reimbursed at the time of collection of the 1989 tax levy. The first interest payment due on February 1, 1990 is estimated to be \$149,175.

Subsequent levies will be necessary for only one year's principal and interest requirements. The first half tax collection each year will provide for the August 1 interest payment of that collection year, while the second half collection, together with the unused portion of the first half collection, will be sufficient to pay the February 1 principal and interest payment due in the following year.

Indiana Office:  
251 North Illinois Street, Suite 1510  
Indianapolis, Indiana 46204-1942  
317-237-3636  
Fax: 317-237-3639

Wisconsin Office:  
500 Elm Grove Road, Suite 101  
Elm Grove, Wisconsin 53122-0037  
414-782-8222  
Fax: 414-782-2904

City of Crystal, Minnesota  
December 8, 1988

The maturity schedule for the Community Center Bonds in Appendix I has been structured with even debt service payments. The City has no other outstanding debt payable from tax levies. The average annual debt service levy will be approximately \$243,500, except for the 1989 levy. This is equivalent to 1.64 mills based on the City's 1987 taxable assessed values. Minnesota property tax laws have changed substantially beginning for taxes payable in 1989. Assessed value will now be expressed in terms of "tax capacity" and mill rates expressed as "tax capacity rates". The Hennepin County Auditor's Office has indicated that they should be ready to certify tax capacities and tax capacity rates in January, 1989.

We recommend the City allow underwriters the option of discount bidding to permit the underwriting syndicate purchasing the issue to retain up to \$30,000 or \$15 per \$1,000 of principal to cover costs of underwriting and marketing the bonds. If the successful bidder does not use all of the discount allowance, the unused portion, by law, must be placed in the debt service account used to repay the bonds; it cannot be used for construction purposes. If all the discount is taken, the City will receive no less than \$1,970,000 in bond proceeds.

We recommend that bonds maturing on or after February 1, 1999 be subject to prepayment at the option of the City on February 1, 1998, and on any interest payment date thereafter at a price of par. This call feature will permit the City to prepay \$1,230,000, or 61.5% of the bonds if future circumstances so warrant.

The Tax Reform Act of 1986 places restrictions on the issuance of tax-exempt bonds. One of the new requirements is the rebate of arbitrage profits from the investment of bond proceeds. The City can exempt itself from this requirement by qualifying as a "small issuer" under the Act, which means that the City will issue less than \$5,000,000 of tax-exempt bonds during the calendar year. If the City issues less than \$5,000,000 of bonds in 1989, it can exempt itself from the rebate requirements. Since the total issuance of tax-exempt bonds by the City is expected to be less than \$10,000,000 in 1989, the City can declare the bonds "qualified" under the Act, making them more attractive to banks which can then deduct 80% of the interest cost from taxation.

We are recommending the bonds be offered for sale on Tuesday, January 17, with bids to be received in the offices of Springsted Incorporated at 2:00 P.M. The bids will be opened, verified for accuracy, tabulated and then presented to the Council for action that same evening at your regular meeting. Proceeds of the bond sale will be available to the City approximately 30 days later.

Respectfully submitted,

  
SPRINGSTED Incorporated

bb

City of Crystal, Minnesota  
\$2,000,000 G.O. Community Center Bonds,  
Series 1989A

Prepared December 6, 1988  
By SPRINGSTED Incorporated

Dated: 2- 1-1989  
Mature: 2- 1

Year of Levy (1)	Year of Mat. (2)	Principal (3)	Rates (4)	Interest (5)	Total Principal & Interest (6)	105% of Total (7)
1989	1991	0	6.25%	284,142	284,142	298,349
1990	1992	90,000	6.35%	142,071	232,071	243,675
1991	1993	95,000	6.45%	136,356	231,356	242,924
1992	1994	100,000	6.60%	130,228	230,228	241,739
1993	1995	110,000	6.70%	123,628	233,628	245,309
1994	1996	115,000	6.80%	116,258	231,258	242,821
1995	1997	125,000	6.90%	108,438	233,438	245,110
1996	1998	135,000	7.00%	99,813	234,813	246,554
1997	1999	140,000	7.10%	90,363	230,363	241,881
1998	2000	150,000	7.20%	80,423	230,423	241,944
1999	2001	165,000	7.30%	69,623	234,623	246,354
2000	2002	175,000	7.35%	57,578	232,578	244,207
2001	2003	185,000	7.40%	44,715	229,715	241,201
2002	2004	200,000	7.45%	31,025	231,025	242,576
2003	2005	215,000	7.50%	16,125	231,125	242,681
TOTALS:		2,000,000		1,530,786	3,530,786	3,707,325

Bond Years:	21,165.00	Annual Interest:	1,530,786
Avg. Maturity:	10.58	Plus Discount:	30,000
Avg. Annual Rate:	7.233%	Net Interest:	1,560,786
N.I.C. Rate:	7.374%		

1987 Assessed Valuation:	\$	148,388,877	
Total Levy (Average of Levy Years: 1990-2003)	\$	243,498	1.64 Mills

Interest rates are estimates; changes may cause significant alterations of this schedule.  
The actual underwriter's discount bid may also vary.



## OFFICIAL TERMS OF OFFERING

**\$2,000,000**

**CITY OF CRYSTAL, MINNESOTA**

**GENERAL OBLIGATION COMMUNITY CENTER BONDS, SERIES 1989A**

Sealed bids for the Bonds will be opened by the City on Tuesday, January 17, 1989, at 2:00 P.M., Central Time, at the offices of SPRINGSTED, Incorporated, 85 East Seventh Place, Suite 100, Saint Paul, Minnesota 55101-2143. Consideration for award of the Bonds will be by the City Council at 7:00 P.M., Central Time, of the same day.

### DETAILS OF THE BONDS

The Bonds will be dated February 1, 1989, as the date of original issue, and will bear interest payable on February 1 and August 1 of each year, commencing February 1, 1990. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the MSRB. The Bonds will be issued in the denomination of \$5,000 each, or in integral multiples thereof as requested by the Purchaser, and fully registered as to principal and interest. Principal will be payable at the main corporate office of the Registrar and interest on each Bond will be payable by check or draft of the Registrar mailed to the registered holder thereof at his address as it appears on the books of the Registrar as of the 15th day of the calendar month next preceding the interest payment.

The Bonds will mature February 1 in the amounts and years as follows:

\$ 90,000	1992	\$125,000	1997	\$175,000	2002
\$ 95,000	1993	\$135,000	1998	\$185,000	2003
\$100,000	1994	\$140,000	1999	\$200,000	2004
\$110,000	1995	\$150,000	2000	\$215,000	2005
\$115,000	1996	\$165,000	2001		

### OPTIONAL REDEMPTION

The City may elect on February 1, 1998, and on any interest payment date thereafter, to prepay Bonds due on or after February 1, 1999. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, those Bonds remaining unpaid which have the latest maturity date will be prepaid first. If only part of the Bonds having a common maturity date are called for prepayment the specific Bonds to be prepaid will be chosen by lot by the Registrar. All prepayments shall be at a price of par and accrued interest.

### SECURITY AND PURPOSE

The Bonds will be general obligations of the City for which the City will pledge its full faith and credit and power to levy direct general ad valorem taxes. The proceeds will be used for the construction of a community center.

### TYPE OF BID

A sealed bid for not less than \$1,970,000 and accrued interest on the total principal amount of the Bonds shall be filed with the undersigned prior to the time set for the opening of bids. Also prior to the time set for bid opening, a certified or cashier's check in the amount of \$20,000, payable to the order of the City, shall have been filed with the undersigned or SPRINGSTED Incorporated, the City's Financial Advisor. No bid will be considered for which said check has not been filed. The

check of the Purchaser will be retained by the City as liquidated damages in the event the Purchaser fails to comply with the accepted bid. The City will deposit the check of the Purchaser, the amount of which will be deducted at settlement. No bid shall be withdrawn after the time set for opening bids unless the meeting of the City scheduled for consideration of the bids is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates offered by Bidders shall be in integral multiples of 5/100 or 1/8 of 1%. No rate specified for a maturity shall exceed the rate specified for any subsequent maturity. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity.

#### AWARD

The Bonds will be awarded to the Bidder offering the lowest dollar interest cost to be determined by the deduction of the premium, if any, from, or the addition of any amount less than par, to the total dollar interest on the Bonds from their date to their final scheduled maturity. The City's computation of the total net dollar interest cost of each bid, in accordance with customary practice, will be controlling.

The City will reserve the right to: (i) waive nonsubstantive informalities of any bid or of matters relating to the receipt of bids and award of the Bonds, (ii) reject all bids without cause, and, (iii) reject any bid which the City determines to have failed to comply with the terms herein.

#### REGISTRAR

The City will name the Registrar which shall be subject to applicable SEC regulations. The City will pay for the services of the Registrar.

#### CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the Purchaser to accept delivery of the Bonds. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

#### SETTLEMENT

Within 40 days following the date of their award, the Bonds will be delivered without cost to the Purchaser at a place mutually satisfactory to the City and the Purchaser. Delivery will be subject to receipt by the Purchaser of an approving legal opinion of LeFevre, Lefler, Kennedy, O'Brien & Drawz, a Professional Association of Minneapolis, Minnesota, which opinion will be printed on the Bonds, and of customary closing papers, including a no-litigation certificate. On the date of settlement payment for the Bonds shall be made in federal, or equivalent, funds which shall be received at the offices of the City, or its designee, not later than 1:00 P.M., Central Time. Except as compliance with the terms of payment for the Bonds shall have been made impossible by action of the City, or its agents, the Purchaser shall be liable to the City for any loss suffered by the City by reason of the Purchaser's noncompliance with said terms for payment.

#### OFFICIAL STATEMENT

Underwriters may obtain a copy of the Official Statement by request to the City's Financial Advisor prior to the bid opening. The Purchaser will be provided with 25 copies of the Official Statement.

Dated December 13, 1988

BY ORDER OF THE CITY COUNCIL

/s/ Darlene George  
Clerk



## SPRINGSTED

PUBLIC FINANCE ADVISORS

85 East Seventh Place, Suite 100  
Saint Paul, Minnesota 55101-2143  
612-223-3000  
Fax: 612-223-3002

December 5, 1988

Mr. Miles Johnson, Treasurer  
Crystal City Hall  
4141 Douglas Drive North  
Crystal, MN 55422

RE: City of Crystal, Minnesota  
\$2,000,000 General Obligation Community Center Bonds

Dear Mr. Johnson:

Enclosed are two debt service schedules for the \$2,000,000 General Obligation Community Center Bonds. Schedule A is structured with even debt service payments. Schedule B is structured with increasing debt service payments. You will note that the total interest costs (column 5) in Schedule A represents a savings of \$151,825 or 10% over Schedule B. Schedule A also demonstrates a better continuity in total debt service payments (column 7) in the first and second maturity years. The first year's levy funds interest-only payments from the date of the issue, February 1, 1989, through February 1, 1991. With an even debt service approach, this abnormally high first levy cycle is followed by a moderate adjustment downward of the levy for the second cycle. For these reasons we feel it would be advantageous for the City to structure the bond issue based on an even debt service schedule.

As we would like to write our recommendations and have them available for the agenda packet, we would appreciate your prompt response as to your choice. I will be out of the office Wednesday through Friday of this week. Please contact Brenda Krueger, Financial Analyst, if you have questions or concerns while I am out. Brenda's direct dial number is 223-3065.

Sincerely,

David N. MacGillivray  
Vice President

mmr

cc: Brenda Krueger

Indiana Office:  
251 North Illinois Street, Suite 1510  
Indianapolis, Indiana 46204-1942  
317-237-3636  
Fax: 317-237-3639

Wisconsin Office:  
500 Elm Grove Road, Suite 101  
Elm Grove, Wisconsin 53122-0037  
414-782-8222  
Fax: 414-782-2904

## SCHEDULE A

City of Crystal, Minnesota  
\$2,000,000 G.O. Community Center Bonds,  
Series 1989A

Prepared December 5, 1988  
By SPRINGSTED Incorporated

Dated: 2- 1-1989  
Mature: 2- 1

## SCHEDULE A

Year of Levy (1)	Year of Mat. (2)	Principal (3)	Rates (4)	Interest (5)	Total Principal & Interest (6)	105% of Total (7)
1989	1991	0	6.25%	284,142	284,142	298,349
1990	1992	90,000	6.35%	142,071	232,071	243,675
1991	1993	95,000	6.45%	136,356	231,356	242,924
1992	1994	100,000	6.60%	130,228	230,228	241,739
1993	1995	110,000	6.70%	123,628	233,628	245,309
1994	1996	115,000	6.80%	116,258	231,258	242,821
1995	1997	125,000	6.90%	108,438	233,438	245,110
1996	1998	135,000	7.00%	99,813	234,813	246,554
1997	1999	140,000	7.10%	90,363	230,363	241,881
1998	2000	150,000	7.20%	80,423	230,423	241,944
1999	2001	165,000	7.30%	69,623	234,623	246,354
2000	2002	175,000	7.35%	57,578	232,578	244,207
2001	2003	185,000	7.40%	44,715	229,715	241,201
2002	2004	200,000	7.45%	31,025	231,025	242,576
2003	2005	215,000	7.50%	16,125	231,125	242,681
TOTALS:		2,000,000		1,530,786	3,530,786	3,707,325

Bond Years:	21,165.00	Annual Interest:	1,530,786
Avg. Maturity:	10.58	Plus Discount:	30,000
Avg. Annual Rate:	7.233%	Net Interest:	1,560,786
N.I.C. Rate:	7.374%		

Interest rates are estimates; changes may cause significant alterations of this schedule.  
The actual underwriter's discount bid may also vary.



## SCHEDULE B

City of Crystal, Minnesota  
\$2,000,000 G.O. Community Center Bonds,  
Series 1989A

Prepared December 5, 1988  
By SPRINGSTED Incorporated

Dated: 2- 1-1989

## SCHEDULE B

Mature: 2- 1

Year of Levy (1)	Year of Mat. (2)	Principal (3)	Rates (4)	Interest (5)	Total Principal & Interest (6)	105% of Total (7)
1989	1991	0	6.25%	287,562	287,562	301,940
1990	1992	40,000	6.35%	143,781	183,781	192,970
1991	1993	65,000	6.45%	141,241	206,241	216,553
1992	1994	70,000	6.60%	137,048	207,048	217,400
1993	1995	75,000	6.70%	132,428	207,428	217,799
1994	1996	80,000	6.80%	127,403	207,403	217,773
1995	1997	100,000	6.90%	121,963	221,963	233,061
1996	1998	120,000	7.00%	115,063	235,063	246,816
1997	1999	145,000	7.10%	106,663	251,663	264,246
1998	2000	160,000	7.20%	96,368	256,368	269,186
1999	2001	185,000	7.30%	84,848	269,848	283,340
2000	2002	205,000	7.35%	71,343	276,343	290,160
2001	2003	225,000	7.40%	56,275	281,275	295,339
2002	2004	250,000	7.45%	39,625	289,625	304,106
2003	2005	280,000	7.50%	21,000	301,000	316,050
TOTALS:		2,000,000		1,682,611	3,682,611	3,866,739

Bond Years:	23,095.00	Annual Interest:	1,682,611
Avg. Maturity:	11.55	Plus Discount:	30,000
Avg. Annual Rate:	7.286%	Net Interest:	1,712,611
N.I.C. Rate:	7.416%		

Interest rates are estimates; changes may cause significant alterations of this schedule.

The actual underwriter's discount bid may also vary.

CITY OF CRYSTAL

APPLICATION FOR APPOINTMENT TO THE

Environmental

COMMISSION

Name Ryan R. Schroeder Address 3356 Utah Avenue North 55427  
Zip #

Phone (home) 544-7048 (Office) 537-4534

Resident of Crystal Since (year) 1983

Occupation City Administration Employer City of Robbinsdale

Education: (please indicate highest grade completed or highest degree and major course of study) M.A. Urban Administration

Civic and other activities: (please list past and present civic activities and organizational memberships, particularly those which may be relevant to the appointment you are seeking) Member: AMM Agencies Committee

Member: LMC/AMM Joint Committee on Solid Waste

Member: LMC General Legislation Committee

Board Member: Suburban Rate Authority

Serve on several other boards, committees and commissions unrelated to environmental issues

Comments (please briefly describe other qualifications, experience and other information which you would like the City Council to consider or which you believe are particularly relevant to the appointment you are seeking. Use additional pages if necessary.)

Assistant City Manager for Robbinsdale since 1985;

City Administrator/Planner for Rockford, Minnesota, 1983 - 1985;

Planner for Minnesota Valley Council of Governments, 1982;

Have directly supervised solid waste/recycling function for Robbinsdale since 1987 increasing reduction in waste stream from 3.2% in 1986 to 20+% for 1988 with 93% resident participation;

Have worked with PCA, DNR, County Soil and Water Conservation Service, Corps of Engineers and other agencies on energy and environmental issues

Date Submitted: November 21, 19 88.

(Return to: City Manager, 4141 Douglas Drive North, Crystal, Minnesota 55422)

CITY OF CRYSTAL

APPLICATION FOR APPOINTMENT TO THE

Environmental Quality COMMISSION

Name Jerome Farrell Address 2908 Jersey Ave. North, Crystal, MN 55427  
Zip #

Phone (home) 591-9404 (Office) 944-1245

Resident of Crystal Since (year) 10/88

Occupation Manager - Real Estate Development Employer Landmark Northwest, Inc.  
Firm

Education: (please indicate highest grade completed or highest degree and major course of study) Bachelor of Science - Agricultural Economics

Civic and other activities: (please list past and present civic activities and organizational memberships, particularly those which may be relevant to the appointment you are seeking) Past activities: Choir member, clarinet player

in regional orchestra, volunteer with United Way, actor in college theatre

group, rugby player, swimming team coach, member - Teamster's Union. Present

activities: Member - Business Opportunity Committee of the Greater Minneapolis

Area Board of Realtors.

Comments (please briefly describe other qualifications, experience and other information which you would like the City Council to consider or which you believe are particularly relevant to the appointment you are seeking. Use additional pages if necessary.)

- 1) About a third of my undergraduate courses at UC Davis were devoted to environmental studies.
- 2) For six years, 9/81 - 9/87, I served overseas as a U.S. Foreign Service Officer. I worked primarily in the Persian Gulf, specializing in Economic and Political analysis regarding Arab countries. I also served in Bonn, West Germany for 18 months as the Ambassador's staff aide. I am fluent in Arabic and German and am very familiar with the governmental process. I recently moved to Minneapolis and would very much like to become involved in my community.

Date Submitted: October 28, 1988.

(Return to: City Manager, 4141 Douglas Drive North, Crystal, Minnesota 55422)

CITY OF CRYSTAL

APPLICATION FOR APPOINTMENT TO THE

Human Relations

COMMISSION

Name Barbara McMahon Address 3543 Lee Avenue North Zip # 55422

Phone (home) 588-3902 (Office) 778-3550

Resident of Crystal Since (year) 1956

Occupation Personal Secretary Employer Soo Line Railroad

Education: (please indicate highest grade completed or highest degree and major course of study) Associate of Arts Degree, NHCC

Civic and other activities: (please list past and present civic activities and organizational memberships, particularly those which may be relevant to the appointment you are seeking) No previous civic involvement.

Comments (please briefly describe other qualifications, experience and other information which you would like the City Council to consider or which you believe are particularly relevant to the appointment you are seeking. Use additional pages if necessary.)

I am particularly interested in programs that give opportunities to young people or home care for the elderly.

I have lived in Crystal all my life and have been a homeowner for the past eight years.

I would like to serve on the commission to help maintain the high quality of life in Crystal and keep the council informed of new developments in the area of human relations.

Date Submitted: December 6, 19 88.

(Return to: City Manager, 4141 Douglas Drive North, Crystal, Minnesota 55422)



TO: Jerry Dulgar, City Manager  
FROM: Bill Monk, City Engineer  
DATE: December 5, 1988  
RE: Norling Motors Lease

Consistent with Council authorization of October 4 a lease agreement which allows Norling Motors to maintain a business on public property at 5548 Lakeland Avenue has been prepared and is attached for Council consideration. Highlights of the document include the following:

- The initial term of the lease is for four years (uninterrupted) after which it reverts to a yearly agreement. (Article II)
- The lease payments are structured to allow the tenant to absorb the site improvement costs in the early years of the lease while still permitting the City to amortize its purchase of that portion of the site being leased in a reasonable time frame. The actual rental fees are spelled out in Article III.
- The lease is written only to the existing owners of Norling Motors and can only be transferred with the City's approval. Additionally, Mr. Norling's right of first refusal as included in the original purchase agreement is retained in the lease (Article IV).
- Additional lease provisions involve real estate taxes (Article VIII), relocation costs (Article XIII), site improvements (Article XIV), well capping (Article XVI), legal costs (Article XVII) and lease renewal (Article XIX).

This office feels the lease agreement is reasonable for both the tenant and City. I will be prepared to review the document in more detail on Tuesday night.



WM:jrs

Encl

## LEASE

THIS INDENTURE OF LEASE, made and entered into as of this day of \_\_\_\_\_, 1988, by and between the City of Crystal, a Minnesota Municipal corporation (hereinafter referred to as "Lessor") and Norling Motors Inc., a corporation under the laws of the State of Minnesota, owned and operated by S. Gunnar Norling and John R. Norling (collectively referred to herein as "Tenant").

### ARTICLE I.

#### DEMISE OF PREMISES.

For the term, at the rent and upon the provisions and conditions hereinafter contained, Lessor does hereby let and lease unto Tenant the premises, and all of the improvements thereon or attached thereto, legally described on Exhibit A, attached hereto and by this referenced incorporated herein ("Premises"). At the commencement of the term hereof, Tenant shall accept the improvements on the Premises in their existing condition, it being understood and agreed that Lessor makes no representations or warranties, express or implied as to the condition thereof or as to the use that may be made of the Premises, and it being further understood that Lessor shall not be liable to anyone for any defect in the Premises or for any limitation upon its use or enjoyment.

### ARTICLE II.

#### TERM OF LEASE.

The initial term of this Lease is four years ("Initial Term"), beginning on December 31, 1988. At the end of the Initial Term, this Lease may be renewed, at the sole option of the Lessor, pursuant to Article XIX below.

### ARTICLE III.

#### RENT.

##### 1) Amount.

The rent for the Premises is Eighteen Thousand Dollars (\$18,000.00) for the Initial Term of this Lease. If Lessor renews this Lease pursuant to Article XIX below, then the rent for the Premises shall be Twelve Thousand dollars (\$12,000.00) for each year following the Initial Term.

##### 2) Payment.

The rent shall be paid to the Lessor by the Tenant as follows:

- a) Three thousand dollars (\$3,000.00) on or before the 31st day of December, 1988.
- b) Four thousand dollars (\$4,000.00) on or before the 31st day of December, 1989.
- c) Five thousand dollars (\$5,000.00) on or before the 31st day of December, 1990.
- d) Six thousand dollars (\$6,000.00) on or before the 31st day of December, 1991.
- e) Twelve thousand dollars (\$12,000.00) on or before the 31st day of December, 1992 and each year thereafter. Beginning in 1993 the \$12,000.00 rent for each year shall be increased by an amount equal to the product of:

\$12,000.00 multiplied by the percentage equal to previous year's Consumer Price Index (chosen by Lessor).

#### ARTICLE IV.

##### Quiet Enjoyment.

If Tenant pays the rent and complies with all other terms of this Lease, Tenant may use the Premises for the Initial Term of this Lease and any renewals thereof.

#### ARTICLE V.

##### Right of Entry.

Lessor and Lessor's agents or employees may enter the Premises to repair or inspect the Premises and perform any work that Lessor decides is necessary.

#### ARTICLE VI.

##### Transfer of Interests; Stipulation.

###### 1) Assignment and Subletting.

Tenant shall not assign this Lease, or lease or sublet the Premises to any other party, without the prior written consent of the Lessor. Tenant shall not sell this Lease or permit any other party to use the Premises without the prior written consent of the Lessor. Such an assignment, lease, sublet or other transfer of any interest in the Premises by the Tenant, or by S. Gunnar Norling or John R. Norling to any party other than to each other shall be a breach of this Article VI. The Lessor may assign, sell or otherwise transfer its interest in this Lease; however, such right of Lessor is subject to the right of first refusal

contained in Paragraph 5 of the "Stipulation of Settlement as to Parcel 8", on file in Hennepin County District Court File No. CD-1982 ("Stipulation").

2) Exercise of the Right of First Refusal.

The parties further agree that the phrase "right of first refusal" in the Stipulation means that if the Lessor wants to assign, sell or otherwise transfer its interest in the Premises to a third party, then the Tenant shall have the right to lease, purchase or otherwise acquire such interest in the Premises, but only upon the same terms, conditions, rent and agreements that is being offered by Lessor to a third party ("Third Party Offer"). The Tenant shall have ten (10) business days from the date that it receives notice from the Lessor that Lessor intends to make a Third Party Offer within which Tenant must accept (in a writing to the Lessor) the Third Party Offer. If the Tenant does not so accept in writing the Third Party Offer, then the Tenant shall be deemed to have exercised its right of first refusal under the Stipulation and it shall not have any right or interest in and to the Premises.

ARTICLE VII.

Surrender of Premises.

Tenant shall give Lessor possession of the Premises when this Lease ends or if the Lease is terminated. When Tenant surrenders the Premises, Tenant shall leave the Premises in as good a condition as it was when the Lease started, with the exception of reasonable wear and tear. Tenant agrees that the term "Premises" includes all buildings, structures, fixtures, and all other improvements to the real property.

ARTICLE VIII.

Real Estate Taxes and Special Assessments.

Tenant shall pay, prior to the date interest or penalty shall attach, all installments of real estate taxes and special assessments, whether levied, pending, approved or in any way assessed, by the lawful taxing authorities, against the Premises.

ARTICLE IX.

Insurance.

1) Public Liability Insurance.

Tenant shall carry at its own cost and expense throughout the term of this Lease, and any extensions or renewals thereof, public liability insurance covering the Premises and Tenant's use thereof, with minimums of Six hundred thousand dollars (\$600,000.00) on account of bodily injuries to or death



of one person and Six hundred thousand dollars (\$600,000.00) on account of bodily injuries to or death of more than one person as a result of any occurrence, and Six hundred thousand dollars (\$600,000.00) coverage for property damage. Such insurance shall be written by companies of recognized financial standards, which companies shall be approved by Lessor. Tenant shall deposit said policy or policies with Lessor prior to the date of any use or occupancy of the Premises by Tenant. Said policy or policies shall name the Lessor and Tenant as insureds and shall bear endorsements to the effect that the insurer agrees to notify Lessor not less than 10 days in advance of any modifications or cancellation thereof.

2) Fire and Extended Coverage Insurance.

Tenant shall, at its own cost and expense throughout the term of this Lease and any extensions or renewals thereof, keep all of the improvements forming a part of the Premises insured for the mutual benefit of the Lessor and Tenant, against loss or damage by fire and against loss or damage by all other risks now or hereafter embraced by "Extended Coverage" insurance in an amount equal to the full replacement cost without deduction for depreciation. All such insurance policies shall contain standard clauses for the benefit of the Lessor's interest in the Premises. All such insurance maintained by Tenant shall name Lessor and Tenant as their respective interests may appear. Such insurance shall be written by companies of recognized financial standards, which companies shall be approved by Lessor. All insurance maintained by Tenant shall provide that no cancellation, reduction or other material changes thereof shall be effective until at least ten (10) days after receipt of written notice thereof by Lessor. Tenant shall furnish to Lessor said policy or policies with Lessor prior to the date of any use or occupancy of the Premises by Tenant.

3) Failure to Insure.

Should Tenant fail to carry any insurance required under this Lease, Lessor may at its option (but Lessor shall not be required to do so) cause any such insurance to be issued, and in such event Tenant agrees to pay the premium for such insurance promptly upon Lessor's demand. Furthermore, should Tenant fail to carry any insurance required under this Lease, Lessor may at its option consider such failure a default under this Lease and the Lessor may terminate this Lease.

4) Indemnification.

The Tenant shall indemnify the Lessor against all liabilities, expenses, and losses incurred by the Lessor as a result of (a) failure by the Tenant to perform any obligation required to be performed by the Tenant hereunder; and (b) any accident, injury, or damage which shall happen on or about the Premises, or on adjoining streets, sidewalks, curbs, or in the

operation of the Premises or of the adjoining streets, sidewalks or curbs, connected with the operation of the Premises.

#### ARTICLE X.

##### Destruction of the Premises.

It is further agreed between the Lessor and the Tenant that if during the Initial Term of this Lease or any extension or renewal thereof, the Premises shall be injured or destroyed by fire or by any other cause, so as to render the Premises unfit for occupancy, or makes it impossible to conduct the business of the Tenant thereon or to such an extent that the Premises cannot be repaired with reasonable diligence within 90 days from the happening of such injury, then the Lessor may terminate this Lease and the Tenant shall immediately surrender the demised Premises and all of its interest therein to the Lessor.

If the Premises can be restored within 90 days from the happening of the injury thereto, and the Lessor within 10 days from the occurrence of such injury elects in writing to repair or restore the Premises within 90 days from the happening of the injury thereto, then this Lease shall not terminate on account of such injury by fire or otherwise.

#### ARTICLE XI.

##### Net Rent.

Lessor and Tenant agree that this Lease is intended to be a "Net-net-net" Lease and in the event of any ambiguity or lack of express language as to the scope of the obligations of either Lessor or Tenant, such ambiguity shall be resolved in a manner consistent with the obligations of a Lessor and Tenant under a "Net-net-net" Lease and the rent herein specified and reserved shall be absolutely net to Lessor so that regardless of the existence or occurrence of any event, circumstance, state of facts or casualty of any nature whatsoever, this Lease shall yield, net to the Lessor, the rent specified in this Lease. Except as otherwise expressly provided herein, each and every item of expense of any kind and nature whatsoever, which may be charged or imposed upon Lessor and Tenant or for which Lessor or Tenant shall, may be or become liable by reason of their estate or interest in the Premises, or by reason of any right or interest of Lessor or Tenant in or under this Lease, or by reason of or in any manner connected with or arising from the ownership, leasing, operation, management, maintenance, repair, rebuilding, remodeling, renovation, use or occupancy of the Premises shall be paid or performed by the Tenant, and the Lessor is hereby indemnified by Tenant against any and all such costs, expenses and obligations, unless and only to the extent such costs, expenses and obligations are expressly assumed by the Lessor under the terms of this Lease.

## ARTICLE XII.

### Accord & Satisfaction.

No payment by Tenant or receipt by Lessor of a lesser amount than the rental herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement on any check or any letter accompanying and check or payment as rent be deemed an accord and satisfaction, and Lessor may accept such check or payment without prejudice to Lessor's right to recover the balance of such rent or pursue any other remedy provided for in this Lease or available at law or in equity.

## ARTICLE XIII.

### Relinquishment of Any and All Relocation Costs.

Tenant hereby specifically relinquishes all of its rights to any and all present and future relocation costs which it could have been entitled to pursuant to Minnesota law. Specifically the rights of Tenant to pursue and receive relocation benefits reserved and excluded from the Stipulation are hereby waived, released and relinquished by Tenant.

## ARTICLE XIV.

### Site Improvements.

#### 1) Site Plan.

Tenant shall construct site improvements on the Premises pursuant to the Site Plan, a copy of which is attached hereto as Exhibit B, which Exhibit is incorporated herein by this reference ("Site Plan") including, but not limited to curbing, surfacing, fencing, and landscaping. Tenant shall also reconstruct the building located on the Premises with a new facade pursuant to the Site Plan.

#### 2) Liens.

Tenant shall not commit or suffer any act or neglect whereby the Premises or any part thereof will become subject to any attachment, judgment, lien, charge or encumbrance whatsoever ("Encumbrance"), and Tenant shall indemnify and hold Lessor harmless from all costs and expenses with respect to any such Encumbrance.

#### 3) Indemnification.

Tenant shall indemnify, defend and hold Lessor harmless from and against any and all expenses, claims or damages to person or property which may or might arise by reason of the making any improvements, repairs or other such alterations to the Premises.



#### ARTICLE XV.

##### Signage.

Tenant shall limit any signage on the Premises to one building sign and one entrance sign, the intent being to keep the Premises as open as possible. This section shall not restrict the tenant from applying for variances to provisions of City Code related to signs.

#### ARTICLE XVI.

##### Costs to Cap the Well.

Tenant shall reimburse the Lessor for its costs incurred in capping the well on the Premises. Tenant agrees that the verified statement by Lessor as to the amount to be paid by Tenant shall be conclusive and controlling.

#### ARTICLE XVII.

##### Reimbursement of Legal Costs.

The Tenant shall pay to Lessor at the date of execution of this Lease all of the reasonable legal costs and expenses incurred in the preparation of this Lease Agreement including, but not limited to, representation at the time of the execution of this Lease. Tenant agrees to be bound by the verified statement by Lessor's legal counsel as to the amount to be paid.

#### ARTICLE XVIII.

##### Tenant to Maintain Premises.

Tenant shall maintain the Premises at its own expense in a clean, orderly and sanitary condition and free of insects, rodents, and other pests. Further, Tenant shall at its sole costs and expense, comply with all laws and ordinances and all rules, regulations and requirements of all county, municipal, state, federal and other governmental authorities, now enforce or which may hereafter be in force, pertaining to Tenant's initial or future construction or other improvements within or upon the Premises and Tenant's use and occupancy of the Premises. Further, Tenant shall comply with all recommendations of any public or private agency having authority over insurance rates with respect to the use of or occupancy of the Premises by Tenant. Tenant shall at its sole cost install and maintain any fire extinguishing apparatus required by local regulations or the requirements of insurance under riders. Further, Tenant shall maintain at its sole cost and expense all operation expenses and costs.



## ARTICLE XIX.

### 1) Renewal of Lease: Notice.

At the expiration of the Initial Term of this Lease, or at the expiration of any subsequent term of this Lease, the Lessor shall have the sole option of renewing this Lease for one year terms. The Lessor shall give Tenant a written notice of its intent to renew this Lease 30 days prior to the end of the Initial Term, or 30 days prior to the end of any term subsequent to the Initial Term ("Renewal Notice"). If no Renewal Notice is given, then this Lease shall end. All of the terms, conditions and agreements contained in this Lease shall apply to the renewal of this Lease, except that:

- a) the term shall be for one year, unless otherwise agreed to in writing by Tenant and Lessor; and
- b) the rent amount shall be changed as set out herein at Article III; and
- c) the Lessor shall have the right to terminate this Lease as renewed, for any reason, but only upon Lessor giving Tenant a 180 day notice of Lessor's intent to so terminate. If, however, Lessor's reason to terminate this Lease is because Lessor is about to make a Third Party Offer, then in such event Lessor shall be subject to the rights of Tenant set out in Paragraph 5 of the Stipulation, as modified by Article VI herein.

### 2) No Renewal or Termination of Lease.

If the Lessor does not renew this Lease at the end of the Initial Term (or upon the termination of this Lease during the Initial Term or any renewal thereof) and the Tenant remains in possession of the Premises after the expiration or termination of the Initial Term of this Lease, or any renewal thereof, such remaining in possession shall not, except at the option of the Lessor, extend the Initial Term of this Lease or any renewal thereof, and the Tenant shall promptly vacate the Premises. If for any reason the Tenant does not promptly vacate the Premises at the termination or the end of the Initial Term of this Lease or any renewal thereof, the Tenant shall pay on demand to the Lessor, for such time as elapses between such termination or end of the Initial Term of this Lease or any renewals thereof and the time when the Tenant actually vacates the Premises a prorata rental equal to one and one-half times the rent provided to be paid during the applicable term of this Lease.

## ARTICLE XX.

### Termination.

If during the Initial Term of this Lease or any renewal thereof the Tenant fails to perform any obligation under this lease or in any way breaches any agreement under this Lease, the Lessor may at its option terminate this Lease. If Lessor determines that Tenant has defaulted under this Lease the Lessor shall give Tenant a 90 day written notice that the Lease shall terminate at the end of said 90 day period. Tenant shall surrender and vacate the Premises pursuant to the provisions contained in this Lease before the end of said 90 day period.

If the Tenant is not owned exclusively by both S. Gunnar Norling and John R. Norling or it is not owned exclusively by one of said parties, then the Lease shall automatically terminate and the Premises shall be surrendered to Lessor and vacated pursuant to the provisions contained herein. Under such circumstances the right of first refusal contained in the Stipulation shall not apply.

## ARTICLE XXI.

### Recovery of Attorney's Fees and Other Costs.

In case of default by Tenant under any of the terms of this Lease or any renewals thereof, the Lessor shall be specifically entitled to recover from Tenant all costs and expenses, including but not limited to reasonable attorney's fees, connected with enforcing the terms of this Lease.

## ARTICLE XXII.

### Provisions to be Binding on Authorized Successors.

In the event the Lessor consents in writing to an assignment pursuant to this agreement by Tenant, or if Lessor assigns or otherwise transfers its interest in this Lease, each of the covenants, provisions, terms and agreements of this Lease and all renewals thereof shall inure to the benefit of and shall be binding upon the authorized successors of the Tenant and to the successors and assigns of Lessor.

10

STATE OF MINNESOTA )  
 )ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this  
day of \_\_\_\_\_, 1988 by John R. Norling, the Vice  
President of Norling Motors, Inc., a Minnesota corporation on  
behalf of said corporation.

\_\_\_\_\_  
Notary Public

**CONSENT AND RELINQUISHMENT OF RIGHTS BY BARBARA J. NORLING**

Barbara J. Norling, married to S. Gunnar Norling, hereby consents  
to the terms of this Lease and agrees to bound hereto, notwith-  
standing any prior agreements to the contrary.

\_\_\_\_\_  
Barbara J. Norling

STATE OF MINNESOTA)  
 )ss.  
COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me this  
day of \_\_\_\_\_ 1988 by Barbara J. Norling, married to S.  
Gunnar Norling.

Drafted By:

LeFEVERE, LEFLER, KENNEDY,  
O'BRIEN & DRAWZ  
2000 First Bank Place West  
120 South Sixth Street  
Minneapolis, Minnesota 55402  
(612) 333-0543  
(JAB)

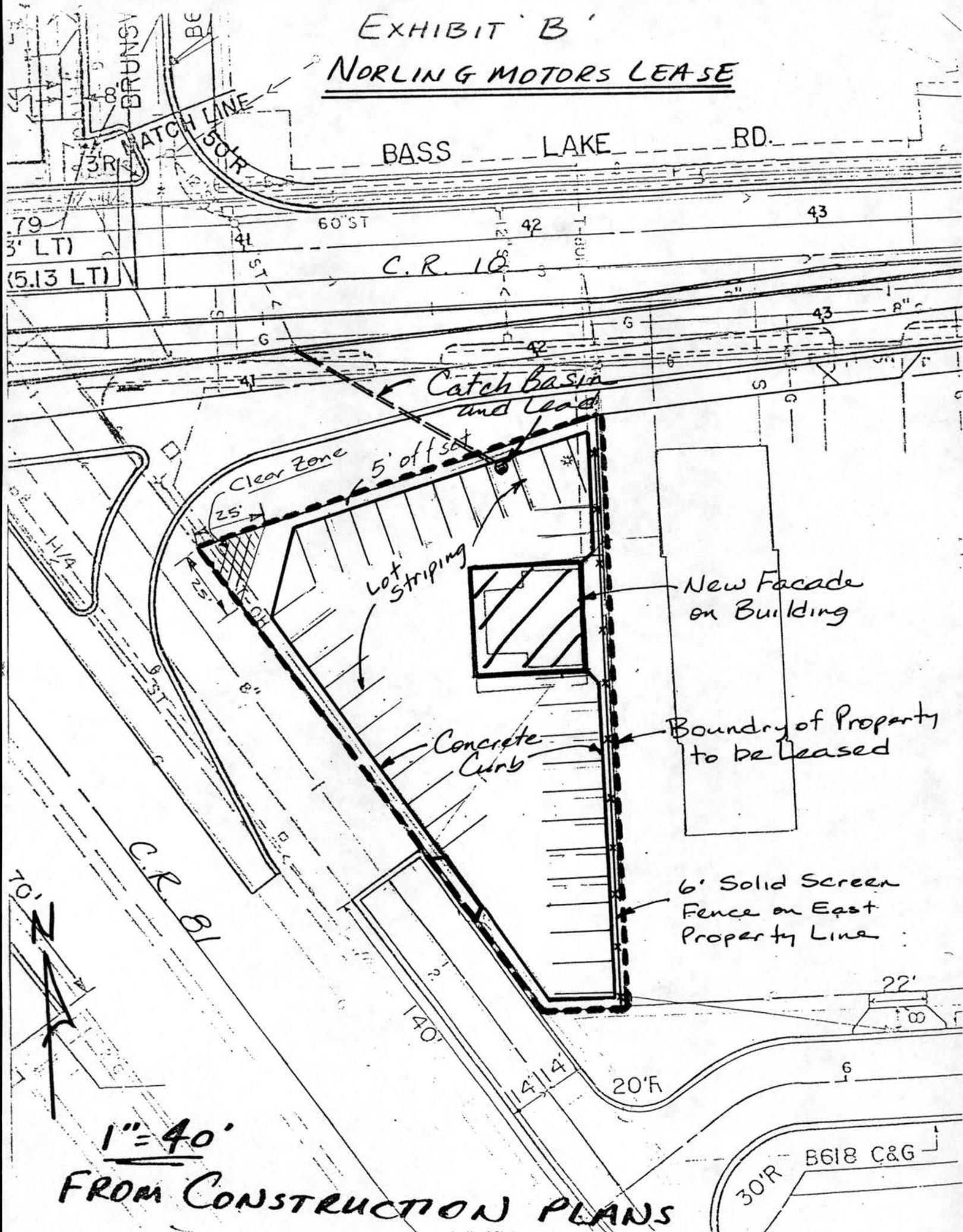
0011LS01.c58



'EXHIBIT A'

All that part of Lot 39 Auditor's Subdivision No. 328, Hennepin County, Minnesota, lying northeasterly of the northeasterly right of way line of U.S. Highway No. 52 as described in an instrument recorded in Book 76 of Hennepin County Record Page 4191555 and as more precisely defined on the attached site plan, Exhibit B.

EXHIBIT 'B'  
NORLING MOTORS LEASE





Consultation and Service in Environmental Care

## Stiegler Arboriculture

~~7050 York Avenue South - #206 - Edina, Minnesota 55435 - 831-3463~~  
6726 36th Avenue North, Crystal, Minnesota 55427 537-1416

December 7, 1988

Mr. Robert A. Leonardson  
8425 33rd Avenue North  
Crystal, Minnesota 55427

Dear Mr. Leonardson:

At your request, I inspected on December 3, 1988, the boulevard green ash tree in front of your home. Specifically, your request was for me to assess the tree trimming performed on the tree; and, whether this work met the contract specifications of the City of Crystal who had hired the work.

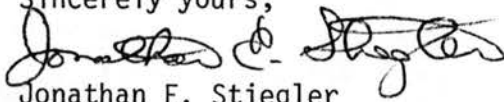
After my inspection of the tree (along with the other trees on the block), I reviewed the City's contract documents that you had supplied to me. The trimming work performed on your boulevard tree (as well as the trees at 8317, 8325, 8401 and 8509 33rd Avenue North) does not fulfill the technical specifications of the City contract. It is apparent that the tree service involved performed only a "lifting" trim operation (i.e., the removal of lower branches). Specifically, the work described in Section 6, Paragraph c, Sections 1,2,3 and 5, of the Technical Specifications was not performed. No thinning of the inner, upper crown of the tree was observed.

Furthermore, each of the trees was found to contain some dead branches, suckers, watersprouts and old stubs that should have been removed to fulfill the contract specifications. Many of the pruning cuts that were made were not proper, i.e., stubs left or poorly-angled to the branch ridge collar. This will prevent a more rapid wound closure and lead to increased decay in the tree.

Although the excessive removal of the lower limbs cannot be reversed, the upper crown of the tree can be and should be properly trimmed. This work can be performed now or later after the trees have responded to the initial trimming.

I have enclosed some information regarding proper tree trimming and tree care. If you have any additional questions, please let me know.

Sincerely yours,

  
Jonathan E. Stiegler  
STIEGLER ARBORICULTURE

Enclosures

December 8, 1988

TO: City of Crystal Councilmembers  
FROM: Darlene George, City Clerk  
RE: Resident complaint  
Ceres Tree Company

In Jerry's absence I received the above referenced complaint letter which I am including in your packet and has been placed on the Council agenda per the resident's request.

Along with the attached letter were the letters from each individual, a copy of the Tree Trimmer's license and the contract between Ceres and the City of Crystal. He also included pictures of the trees involved in the complaint. Rather than making copies of the contracts the Council has already approved and the pictures, which he had bound in a very neat brochure, I chose to just copy the letter from the residents involved and I will have the brochure available on Tuesday evening for your review.

I also alerted Ed Brandeen and supplied him with the brochure for review. He may also have some comments for you.

Have a nice weekend!

cc: Jerry Dulgar, City Manager



December 6, 1988

City Council  
City of Crystal  
4141 North Douglas Drive  
Crystal, Minnesota 55422

Dear Council Members:

On or about November 18, 1988, Ceres Tree Company "trimmed" several boulevard trees in our neighborhood under contract with the City of Crystal. The overall beauty of the trees and the general appearance of our neighborhood has been permanently scarred by the careless and negligent actions of the Ceres Tree Company. We, therefore, respectfully request the City of Crystal to seek damages against the Ceres Tree Company to the fullest extent possible.

We believe that the Ceres Tree Company did not comply with the terms of the Contract which they entered into with the City of Crystal in that the Ceres Tree Company:

- 1) Did not notify the homeowners in advance as to the nature of the work to be performed.
- 2) Did not mark any trees to be trimmed with removable flagging tape.
- 3) Did not competently supervise the work.
- 4) Did not perform in a workmanlike manner in accordance with the standards of good tree surgery.
- 5) Did not improve the trees by eliminating present conflicts and prevent future problems.
- 6) Did not maintain an acceptable appearance.
- 7) Did not shape the trees to their natural and characteristic form.
- 8) Did not remove dead, discarded, damaged or weakened branches.
- 9) Did not remove water sprouts and suckers.
- 10) Did not remove branches growing in toward the center of the crown.
- 11) Did not remove branches occupying space in the periphery of the crown required by other branches for full development.
- 12) Did not remove old pruning stubs and recut or reshape old pruning wounds.
- 13) Did not properly cut all branches so as to promote adequate healing of the wounds.

Essentially, all that the Ceres Tree Company did was to completely remove the lower one-third to one-half of the branches of the trees.

We understand from other competent sources that it would normally require at least forty five to sixty minutes to properly trim each tree in accordance with the terms of the contract. We have good reason to believe that the Ceres Tree Company spent less than fifteen minutes trimming each tree.

Of immediate concern to us is the fact that the contract expires on December 31, 1988. Until these problems are adequately resolved, that under the terms of the contract we respectfully request the City of Crystal to:

- 1) Withhold issuing a final acceptance
- 2) Withhold releasing the \$10,000 Performance Bond
- 3) Withhold payments not yet made.

Because much of the damage which has been done to the trees is permanent and irreversable, we would like to propose the following as possible solutions to correct some of the problems:

- 1) Someone other than Ceres Tree Company should come out and attempt to repair the damage and to complete the terms of the contract. (We recommend Tims Tree Service). In any event, we do not want Ceres Tree Company coming out and doing any more damage.
- 2) Possibly inject a slow release fertilizer into the ground in accordance with good horticultural procedures.
- 3) Upon the advice of other competent experts, have the other trees in the homeowners front yard, with their permission, trimmed in such a fashion as to preserve some type of symmetry.
- 4) Should it become evident within a reasonable period of time that the trees in questions will never appear reasonably satisfactory, that they be replaced with a tree of similar size and shape.
- 5) Under no circumstances should any work be performed to the trees in question without giving the homeowners advance notification and a reasonable time to respond.
- 6) The homeowners should be kept appraised of and included in the process of seeking a fair and just solution.
- 7) We should be reimbursed for our expense of hiring an outside consultant.

For your convenience we have enclosed copies of letters we have previously sent, a copy of the contract and license application, and photographs of the trees which were damaged.

Thank you in advance for your prompt attention.

Sincerely,

*David L Stedje*  
David and Ione Stedje

*Ione A. Stedje*

8509-33rd Ave. No.  
Crystal, MN 55427

(Home) 544-7876

Robert and Mary Leonardson

*Robert A. Leonardson & Mary J. Leonardson*

8425-33rd Ave. No.  
Crystal, MN 55427

(Home) 546-2701

John and Aurelia Dreier

*John & Aurelia Dreier*

8401-33rd Ave. No.  
Crystal, MN 55427

(Home) 544-7594

Leonard and Carol Zemke

8325-33rd Ave. No.  
Crystal, MN 55427

(Home) 544-6480

David and Barb Distel

*David Distel & Barb Distel*

8317-33rd Ave. No.  
Crystal, MN 55427

(Home) 546-7088

DATE: December 12, 1988

MEMO TO: Jerry Dulgar, City Manager

FROM: Edward C. Brandeen, Park & Recreation Director

RE: Complaint on Tree Trimming by Ceres Tree Co.

The City of Crystal was recently served a complaint against Ceres Tree Company relative to the manner in which boulevard trees were trimmed in the 8000 block of 33rd Avenue North. The complaint states that the trees were not trimmed in an appropriate way as stated in the contract.

I will agree that these trees were not trimmed correctly. First of all, these trees were "raised" too high (too many lower branches removed); in fact, that really is all Ceres Tree Company accomplished.

As you know, Ceres Tree Company was made aware of this problem. They admitted to me that the tree was not trimmed correctly. To cover the City of Crystal's responsibility in this matter, I contacted the Great American Insurance Company who issued the performance bond for Ceres and explained the problems. They suggested I send them a letter to explain all the facts. They, in turn, will check to see if a "maintenance" or holding period is possible following the expiration of the contract on December 31, 1988

All the trees trimmed by the Ceres Tree Company are on the boulevard and are the property of the City of Crystal. I suspect these trees were planted by the developer some 15-20 years ago. The city ordinance today prohibits any plantings on the city boulevard.

I contacted a forester from the State Private Forestry Division and showed him pictures of these trees. He indicated the pruning or raising was a little intense, but it did not injure the tree. He indicated that in 3-5 years, the tree will be an acceptable shade tree. Therefore, with the above information, I suggest we wait until a later date to look at the condition of these trees. Ceres Tree Company, as a result of this mistake, has made the following offer which is attached. In the meantime, I would suggest we not release his bond until that time if there is, in fact, a maintenance period.

Attach.





2735 - 4TH ST. S.E.  
MINNEAPOLIS, MN 55414  
(612) 331-2333

Ed Brandeen  
Director of Parks and Recreation  
City of Crystal  
4141 Douglas Drive North  
Crystal, MN 55422

December 8, 1988

Dear Mr. Brandeen:

We at Ceres Tree Company regret that there have been complaints about the trimming of five city owned boulevard trees on 33rd Avenue North. Regardless of cause or fault, we are willing to take action to resolve these complaints. We are willing to:

1. fertilize these 5 trees to stimulate additional new growth; or
2. furnish and plant three 2.5" balled and burlapped green ash trees in locations specified by the city; or
3. provide the city with 8 hours of tree trimming using a bucket truck, a chipper, and two men at no charge.

We would also consider any other suggestions the city may have.

I understand this matter is to be considered at the city council meeting on December 12, 1988. I would appreciate if you could inform the members of the council of this proposal prior to the meeting. This offer is made in good faith without obligation in the sincere hope that these complaints can be resolved.

Sincerely,

A handwritten signature in cursive script, reading "Steven M. Johnson".

Steven M. Johnson  
Business Manager/Staff Forester

TO: Jerry Dulgar, City Manager  
FROM: Bill Monk, City Engineer  
DATE: December 5, 1988  
RE: Tax Forfeited Property

As noted in the attachments sent by Hennepin County, six parcels are presently eligible for tax forfeiture sale. Crystal has until January 26 to decide whether to approve the sale or claim the parcels for some municipal purpose.

Five of the parcels are located in Rolling Green and were not deemed buildable by the developer due to poor soils. As these lots are directly adjacent to the City's park, it is recommended the City apply to have the property conveyed to Crystal for park purposes. If approved, such an action would essentially double the size of this park facility.

The sixth parcel is a vacant lot located at 3449 Welcome Avenue. While this office would like to acquire the northern portion of the lot to complete the unimproved right-of-way for 35th Avenue, conveyance for such a purpose will not be considered by the County. Instead, it is recommended the Council approve the sale as proposed by the County and acquire the right-of-way as the lot is platted for building purposes by the new owner.

Approval of the attached resolution and Certificate of Conveyance is recommended.

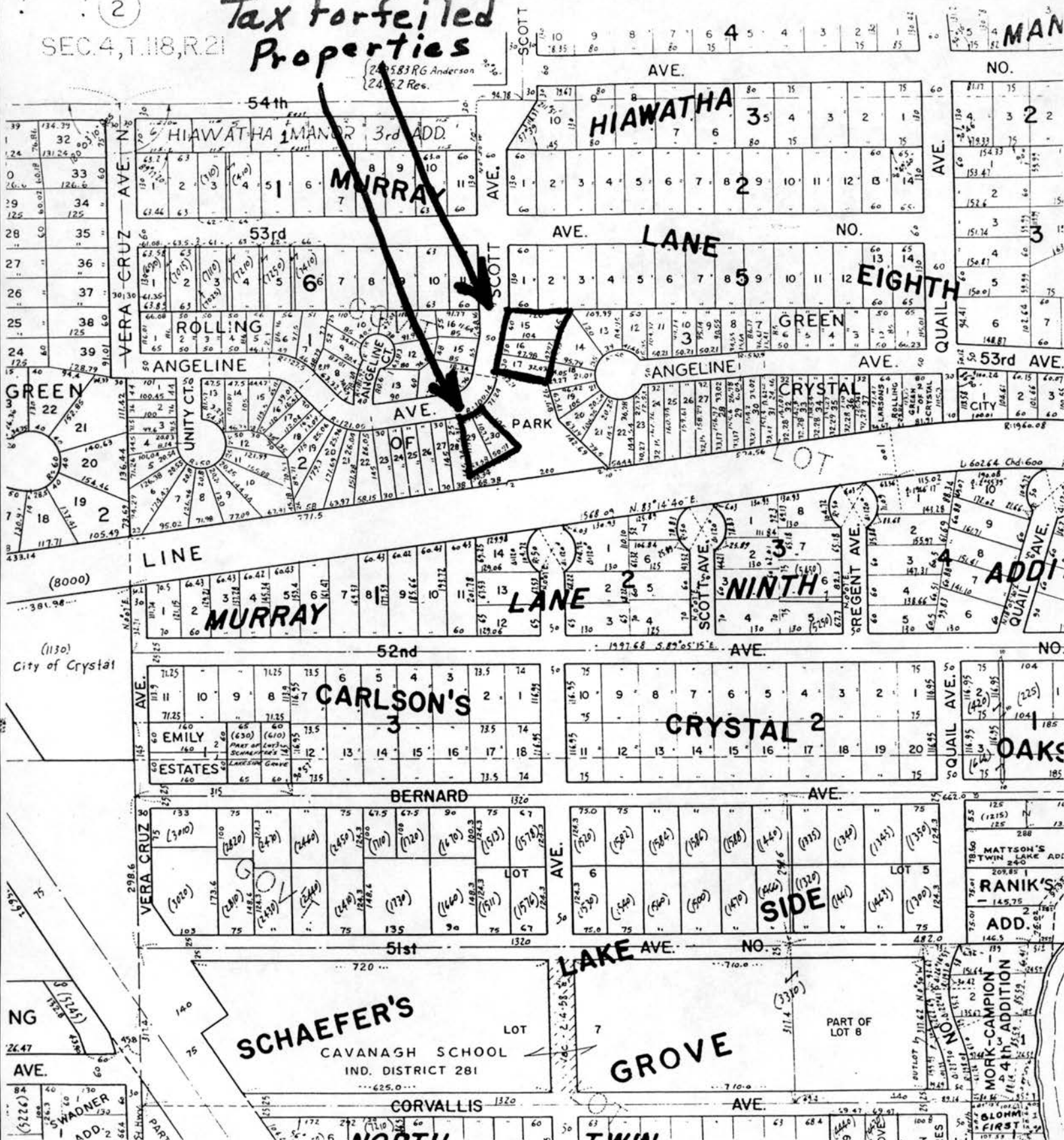
  
WM:jrs

Encls

SEC. 4, T. 118, R. 21

# Tax Forfeited Properties

(24583 RG Anderson  
24582 Res.)





CITY OF ROBBIN  
CITY OF CRYST

Tax  
Forfeited  
Property

2210.7 Res

CITY OF CRYSTAL  
CITY OF GOVERNMENT





13 DECEMBER 1988

RESOLUTION NO. 88-

CONVEYANCE OF TAX FORFEITED LANDS

WHEREAS, the City of Crystal has been informed by the Hennepin County Department of Property Taxation that certain lands within the City have been forfeited for non-payment of real estate taxes, and

WHEREAS, the City of Crystal wishes to restrict and condition the sale of several of the forfeited lands to bring them into conformance with City ordinances and land use requirements consistent with provisions of Chapter 282 of Minnesota Statutes, and

WHEREAS, all special assessments canceled as a part of the forfeiture process may be reassessed as the property reverts to private ownership if not collected as a part of said sale, and

WHEREAS, no special assessments have been levied on any of the tax-forfeited properties to revert to private ownership since said forfeiture occurred,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Crystal hereby requests that the Hennepin County Board of Commissioners:

1. Conduct the public sale of the following described parcels without condition:

21-118-21-21-0021; Part of Lot 7, Rosedale Acres

2. Convey to the City of Crystal the following described parcels for public park purposes:

09-118-21-12-0157; Lot 29, Block 2, Rolling Green of Cy  
09-118-21-12-0158; Lot 30, Block 2, Rolling Green of Cy  
09-118-21-12-0167; Lot 15, Block 3, Rolling Green of Cy  
09-118-21-12-0168; Lot 16, Block 3, Rolling Green of Cy  
09-118-21-12-0169; Lot 17, Block 3, Rolling Green of Cy

By roll call and voting aye:

---

Mayor

ATTEST:

---

City Clerk

# APPLICATION BY GOVERNMENTAL SUBDIVISION FOR CONVEYANCE OF TAX-FORFEITED LANDS

Minnesota Statutes 1949, Section 282.01

In the Matter of the Application of City of Crystal,  
a Governmental Subdivision, for a Conveyance of Certain Lands.

Comes now City of Crystal (name of subdivision) and alleges:

1. That applicant is a (a) municipal corporation
2. That (b) the Crystal City Council has adopted a resolution  
for such acquisition (attached).

3. That there is situated within applicant's boundaries in the County of \_\_\_\_\_,  
certain tax-forfeited land described as follows: \_\_\_\_\_

P.I.D. #09-118-21-12-0157 - Lot 29, Block 2, Rolling Green of Crystal  
P.I.D. #09-118-21-12-0158 - Lot 30, Block 2, Rolling Green of Crystal  
P.I.D. #09-118-21-12-0167 - Lot 15, Block 3, Rolling Green of Crystal  
P.I.D. #09-118-21-12-0168 - Lot 16, Block 3, Rolling Green of Crystal  
P.I.D. #09-118-21-12-0169 - Lot 17, Block 3, Rolling Green of Crystal

4. That said lands are (c) abutting a public park
5. That applicant desires to obtain said land for the following purposes: (d) park
6. That there is need for such lands for the following reasons: enlarge present park

Wherefore applicant prays that said lands be conveyed to it for the use stated herein.

CITY OF CRYSTAL

By \_\_\_\_\_

Its Mayor

and \_\_\_\_\_

Its City Manager

State of Minnesota, }  
County of \_\_\_\_\_ } ss.

\_\_\_\_\_ each being first duly  
sworn, depose and say, each for himself, that they are respectively the \_\_\_\_\_

and \_\_\_\_\_ of the \_\_\_\_\_;  
that they have read the foregoing application and know the contents thereof; and that the matters stated  
therein are true.

Subscribed and sworn to before me this \_\_\_\_\_

day of \_\_\_\_\_, 19 \_\_\_\_\_

Notary Public, \_\_\_\_\_ County, Minn.

My commission expires \_\_\_\_\_

(a) State facts relative to legal organization.

(b) State facts showing authorization of acquisition of land hereinafter described by resolution of governing body or by voters, etc., as the case may require, attaching copies of resolutions, if any.

(c) Describe nature of lands, use of surrounding property and other similar facts.

(d) Give statement of facts as to the use to be made of such lands.



DEPARTMENT OF PROPERTY TAX AND PUBLIC RECORDS  
A607 Government Center  
Minneapolis, Minnesota 55487-0067

Crossroads To Service

October 26, 1988

City of Crystal  
Darlene George, City Clerk  
4141 Douglas Drive N.  
Crystal, Mn. 55422

Dear Ms. George:

Enclosed is a classification list on non-conservation land located in your municipality. The described parcels forfeited to the State of Minnesota for non-payment of property taxes.

As provided in Minnesota Statutes 282, we request that you either approve the parcel(s) for public auction, auction to adjacent owners if Minnesota Statutes 282.01, Subdivision 7A is applicable, or request a conveyance to your municipality for public use.

We require a certified copy of the City Council Resolution authorizing any action taken. If you request that a parcel be conveyed to your municipality, we also require that the form "Application By A Governmental Subdivision For Conveyance of Tax Forfeited Land" be completed and mailed to this office.

Only new special assessments which were levied after the forfeiture need be certified to this department. The remaining balance of any assessment levied previously will be picked up automatically.

Please be advised that if the City Council fails to respond within ninety (90) days of the date of this letter, the sale will be deemed to be approved.

If you have any questions, you may contact the Forfeited Land Unit at 348-3734, or myself at 348-6989.

Sincerely,

Dale G. Folstad, Director  
Property Tax and Public Records

Sharon J. Erion  
Tax Processing Section Supervisor

DGF:SJE:be  
Enclosure

**HENNEPIN COUNTY**

an equal opportunity employer

## NON-CONSERVATION LIST 723-NC

RUN DATE: 08/01/88

HENNEPIN COUNTY PROPERTY INFORMATION SYSTEM  
LIST OF FORFEITED PROPERTYREPORT NO: PI421101  
PAGE 17

SC TWP RG QQ SFX/ PROPERTY ADDRESS	LOT	BLK	PREVIOUS OWNER/DESCRIPTION	DATE OF JUDGEMENT	DATE OF FORFEITURE	BLDG VALUE	MKT VALUE
CRYSTAL							
09-118-21 12 0157 5303 ANGELINE AVE N	029	002	ROLLING GREEN OF CRYSTAL ROLLING GREEN OF CRYSTAL	04/29/85	07/28/88		12,500
09-118-21 12 0158 5301 ANGELINE AVE N	030	002	ROLLING GREEN OF CRYSTAL ROLLING GREEN OF CRYSTAL	04/29/85	07/28/88		12,500
09-118-21 12 0167 5244 SCOTT AVE N	015	003	ROLLING GREEN OF CRYSTAL ROLLING GREEN OF CRYSTAL	04/29/85	07/28/88		14,500
09-118-21 12 0168 5238 SCOTT AVE N	016	003	ROLLING GREEN OF CRYSTAL ROLLING GREEN OF CRYSTAL	04/29/85	07/28/88		12,500
09-118-21 12 0169 5232 SCOTT AVE N	017	003	ROLLING GREEN OF CRYSTAL ROLLING GREEN OF CRYSTAL	04/29/85	07/28/88		12,500
21-118-21 21 0021 3449 WELCOME AVE N	007	001	DANIEL J SULLIVAN "ROSEDALE ACRES" THAT PART OF LOT 7 LYING N OF S 102 FT THEREOF AND THAT PART OF THE S 102 FT OF LOT 7 LYING E OF W 148 FT THEREOF EX STS	04/29/85	06/30/88		16,000

TOTAL NUMBER OF ACCOUNTS BY MUNIC

6



TO: Jerry Dulgar, City Manager  
FROM: Bill Monk, City Engineer  
DATE: December 7, 1988  
RE: MNDot Federal Aid Agreement

Municipalities routinely designate the Commissioner of Transportation as their agent in accepting federal aid roadway construction funds in the City's behalf. Given federal requirements connected with such aid, this arrangement works to the benefit of all parties involved. The attached agreement is consistent with provisions of MN Statute 161.36 which spells out the requirements of such an agent designation.

A similar agreement was approved by Crystal in 1987. Revisions required concerning the accommodation of utilities is the reason for a new agreement. Approval of the attached agreement and resolution is recommended.



WM:jrs

Encl

MINNESOTA DEPARTMENT OF TRANSPORTATION  
FEDERAL AID FORM NO. III

Be it resolved that pursuant to section 161.36, Subdivision 1 through 6, Minnesota Statutes, the Commissioner of Transportation be appointed as agent of the City of \_\_\_\_\_ to let as its agent, contracts for the construction of local roads and bridge, and the Mayor and the City clerk are hereby authorized and directed for and on behalf of the City to execute and enter into a contract with the Commissioner of Transportation prescribing the terms and conditions of such contracts in the form as set forth and contained in "Minnesota Department of Transportation Agency Agreement" a copy of which said agreement was before the City Council, assuming on behalf of the City all of the obligations therein contained.

(SEAL) (Submit in duplicate)

Note: Attach certification by City Clerk with each copy of resolution.

Revised 12/1988

Office of State Aid

MINNESOTA DEPARTMENT OF TRANSPORTATION

AGENCY AGREEMENT

This Agreement made and entered into by and between the City of \_\_\_\_\_ herein after referred to as the "City" and the Commissioner of Transportation of the State of Minnesota hereinafter referred to as the "Commissioner",

WITNESSETH:

WHEREAS, pursuant to M.S. 161.36 the City desires the Commissioner to act as its agent in accepting federal aid on the City's behalf, for road and bridge construction and in contracting for the construction, improvement or maintenance of roads or bridges financed either in whole or part with federal moneys; and

WHEREAS, M.S. 161.36, Subdivision 2, requires that the terms and conditions of the agency be set forth in an agreement;

NOW, THEN, IT IS AGREED:

-I-

That pursuant to M.S. 161.36, the City does hereby appoint the Commissioner its agent with respect to all federally funded projects, to accept and receive all federal funds made available for said projects and to let contracts pursuant to law for the construction and improvement of local roads and bridges.

Each contract will be in accordance with plans and special provisions for said projects on file in the Department of Transportation, State Transportation Building, St. Paul, Minnesota 55155, and the latest edition of "Standard Specifications for Construction" and all amendments thereof, which said plans, special provisions and specifications are made a part of this agreement by reference as though fully set forth herein.

In the letting of said contract, it is hereby agreed that the following procedures shall be followed, to-wit:

A. The Commissioner shall cause the advertisements calling for bids on said work to be published in the "Construction Bulletin". He shall also cause advertisements for bids to be published in the officially designated newspaper of the City. Said advertisement or call for bids shall specify that sealed proposals or bids will be received by the City Purchasing Agent of \_\_\_\_\_ on behalf of the Commissioner as agent of said City. Proposals, plans and specifications shall be available for the inspection of prospective bidders at the office of the Department of Transportation, St. Paul, Minnesota 55155, and at the office of said City Purchasing Agent and the advertisement shall so state. The bids received in response to said advertisement for bids shall be opened for and on behalf of the Commissioner by a District Engineer of the Department of Transportation or such other engineer of the Department of Transportation as may be from time to time selected by the Commissioner. After said bids shall have been opened, the City council shall first consider the same and thereupon



transmit to the Commissioner all bids received together with its recommendation that the lowest bid submitted by a responsible bidder be accepted or that all bids be rejected.

Upon receipt of all said bids, the Commissioner shall duly cause all of said bids to be tabulated and shall thereupon determine who is the lowest responsible bidder and shall award the contract to the lowest responsible bidder or shall reject all bids.

B. The Commissioner shall supervise and have charge of the construction of said projects after the same has been let. The City agrees to furnish its City Engineer or other registered engineer and assign him to the active supervision and direction of the work to be performed under any contract let for the aforesaid projects. Said engineer so assigned shall act under the supervision and direction of the Commissioner.

The City further agrees to furnish such other personnel, services, supplies and equipment as shall be necessary in order to properly supervise and carry on said work.

C. The Commissioner may make changes in the plans or the character of the work as shall be recommended by the engineer in charge of the work. If he concurs in such recommendations, the Commissioner may enter into, for and on behalf of the City, supplemental agreements with the contractor for the performance of any extra work or work occasioned by any necessary, advantageous, or desirable change in plans or construction.

It is understood by the City that the Commissioner cannot personally investigate and pass judgement on the various items of extra work and plan changes necessary and desirable during the construction of

the projects but that he must delegate such duties to engineers under his supervision and control that are employed by the Minnesota Department of Transportation. The City does hereby authorize these engineers, so delegated by the Commissioner, to enter into, for and on behalf of the City, the supplemental agreements specified in the preceding paragraph hereof.

D. The City hereby authorizes its City Engineer, for and on behalf of the City, from time to time, during the progress of the work on said projects, to request the Commissioner to furnish for use on said projects specific engineering services to be performed by skilled employees of the Minnesota Department of Transportation. The Commissioner may but is not obligated to furnish the services so requested. If the Commissioner in compliance with such request shall furnish for the use of the City on said projects the services of any Minnesota Department of Transportation employee, then and in that event, the City agrees to reimburse the Trunk Highway Fund for the full cost and expense of the furnishing of such services including all costs and expenses of any kind or nature whatsoever arising out of, connected with, or incidental to the furnishing of such services.

E. The Commissioner shall receive the funds to be paid by the City and the funds to be paid by the United States as federal aid funds for said projects and to pay therefrom when due any and all sums that may become due the contractor to whom the contract is awarded, and upon final completion and acceptance of the work, to pay from said funds the final estimate to said contractor for said work.

F. The Commissioner shall perform on behalf of the City all other acts and things necessary to cause said projects to be completed in a satisfactory manner.

G. The Commissioner may enter into any agreement for and on behalf of the City with the United States or any officer or agent thereof that may be required or necessary for the purpose of procuring and actually causing to be paid the federal aid funds available for said projects and to that end to bind and commit the City in such agreement to the performance of any and all things required by any law of the United States or of any rule and regulation issued by federal authority pertaining thereto necessary for the purpose of procuring and having paid the federal aid available for said projects.

H. It is the policy of the United States Department of Transportation and the Minnesota Department of Transportation that Disadvantaged Business Enterprises as defined in 49 CFR, Part 23, and the Surface Transportation and Uniform Relocation Assistance Act for 1987, shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with federal funds. Consequently, the requirements of 49 CFR, Part 23, apply to this agreement. In this regard, the Commissioner and the City shall take all necessary and reasonable steps in accordance with 49 CFR, Part 23, to insure that Disadvantaged Business Enterprises have the maximum opportunity to compete for and perform on contracts and subcontracts. The Commissioner and the City shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of federally funded contracts.

Failure to carry out the above requirements shall constitute a breach of this agreement and may result in termination of the agreement or other such remedy that the Commissioner deems appropriate.

I. The Commissioner may perform on behalf of the City any other and further acts as may be necessary or required under any law of the United States or of any rule or regulation issued by proper federal authority in order to cause said projects to be completed and to obtain and receive the federal aid made available therefor.

-II-

The City agrees that it will from time to time, after the execution of this agreement, make such reports, keep such records and perform such work in such manner and time as the Commissioner shall from time to time request and direct so as to enable the Commissioner as its agent to collect for it the federal aid sought. Said records and reports shall be retained by the City in accordance with the Commissioner's record retention schedule for federal aid projects.

-III-

It is anticipated that the United States will pay to the Commissioner as the agent of the City, the federal aid funds available to said City toward the construction of said projects. It is further anticipated that the contracts to be let by the Commissioner as the agent of the City, for the construction of said projects shall provide that the contractor, as the work progresses, shall, from time to time, be paid partial payments designated in said contract as partial estimates and on the completion and



acceptance of said work to be paid a final payment designated in said contract as a final estimate for all work performed.

The City further agrees that any City funds and/or Municipal State Aid Funds to be applied to any contract covered by this agreement shall be deposited with the Commissioner in accordance with Minnesota Rules Chapter 8820.1500 Subp. 3.

At regular monthly intervals after contractors shall have started work under contracts let by the Commissioner as agent for the City for the construction of said projects, the engineer assigned to and in charge of said work shall prepare partial estimates in accordance with the terms of said contracts let for said projects and the procedures established by the Office of Construction and Contract Administration Minnesota Department of Transportation. The said engineer in charge of said work shall immediately after preparing each partial estimate, transmit the same to the Commissioner in duplicate. Each partial estimate shall be certified by the engineer in charge and by the contractor performing such work. The said engineer assigned to and in charge of said work shall also prepare and submit to the Commissioner the final estimate data, together with the required project records in accordance with the terms of said contracts let for said projects. Quantities listed on said partial and final estimates shall be documented in accordance with the guidelines set forth in the applicable documentation manual. After the approved final estimate has been submitted to the Commissioner, the City will pay to the

Commissioner any additional amount which together with the federal funds received for that project will be sufficient to pay all the contract costs of the project.

-IV-

When the contractor shall have completed the work on said projects, the City agrees to inspect the same and forthwith upon the completion of said inspection advise the Commissioner whether or not the work performed should be, by the Commissioner as its agent, accepted as being performed in a satisfactory manner. In the event the City should, after said inspection, recommend to the Commissioner that he should not accept said work, then the City shall at the time such recommendation is made specify in particularity the defects in said work and the reasons why the work should not be accepted. It is further agreed that any recommendations made by the City are not binding on the Commissioner but that he shall have the right to determine whether or not the work has been acceptably performed and to accept or reject the work performed under any said contract.

-V-

It is further agreed that the decision of the Commissioner on the several matters herein set forth shall be final, binding and conclusive on the parties hereto.

-VI-

It is anticipated that the entire cost of said projects is to be paid from funds made available by the United States, by way of federal aid, and by the City. If for any reason the United States fails to pay any part of the cost or expense of said projects, then

and in that event the City agrees to pay the same. The City further agrees to pay any and all claims or demands of any kind or nature whatsoever arising out of or incidental to the performance of the work under any contract let for said projects in the event that the United States does not pay the same, and in all events, agrees to save the State of Minnesota and the Commissioner from said claims and from any claims arising out of this agreement and to pay any and all expenses and costs connected with said projects or the construction thereof which the United States does not pay.

-VII-

The City further agrees that:

A. All right-of-way acquisition and relocation will be conducted in accordance with 49 CFR Part 25. Procedures implementing this regulation are contained in Mn/DOT State Aid Manual Chapter 5-892.310.

(Additional guidance may be obtained by referring to the FHWA's Real Estate Acquisition Guide for Local Public Agencies).

B. If the City receives total direct and indirect federal assistance of:

1. \$100,000 or more per year, the City agrees to obtain a financial and compliance audit made in accordance with the Single Audit Act of 1984 (P.L. 98-502) and Office of Management and Budget (OMB) Circular A-128. The law and circular provide that the audit shall cover the entire operations of the City government or, at the option of the City government, it may cover departments, agencies or establishments that received, expended, or otherwise administered federal financial assistance during the year. However,

if the City government receives \$25,000 or more in General Revenue Sharing Funds in a fiscal year, it shall have an audit of its entire operations.

2. Between \$25,000 and \$100,000 per year, the City agrees to obtain either -

a. a financial and compliance audit made in accordance with the Single Audit Act of 1984 and OMB Circular A-128, or

b. a financial and compliance audit of all federal funds. The audit must determine whether the subrecipient spent federal assistance funds in accordance with applicable laws and regulations and the audit must be made in accordance with any federal laws and regulations governing the federal programs the subrecipient participates in.

Audits shall be made annually unless the state or local government has, by January 1, 1987 a constitutional or statutory requirement for less frequent audits. For those governments, the cognizant agency shall permit biennial audits, covering both years, if the government so requests. It shall also honor requests for biennial audits by governments that have an administrative policy calling for audits less frequent than annual, but only for fiscal years beginning before January 1, 1987.

The audit shall be made by an independent auditor. An independent auditor is a state or local government auditor or a public accountant who meets the independent standards specified in the General Accounting Office's Standards for Audit of Governmental Organizations, Programs, Activities, and Functions.



The audit report shall state that the audit was performed in accordance with the provisions of OMB Circular A-128 (or A-110 as applicable).

The audit report shall include:

1) The auditor's report on financial statements and on a schedule of federal assistance; the financial statements; and a schedule of federal assistance, showing the total expenditures for each federal assistance program as identified in the Catalog of Federal Domestic Assistance. Federal programs or grants that have not been assigned a catalog number shall be identified under the caption "other federal assistance".

2) The auditor's report on the study and evaluation of internal control systems must identify the organization's significant internal accounting controls, and those controls designed to provide reasonable assurance that federal programs are being managed in compliance with laws and regulations.

It must also identify the controls that were evaluated, the controls that were not evaluated, and the material weaknesses identified as a result of the evaluation.

3) The auditor's report on compliance containing:

a) A statement of positive assurance with respect to those items tested for compliance, including compliance with law and regulations pertaining to financial reports and claims for advances and reimbursements;

b) Negative assurance on those items not tested;

c) A summary of all instances of noncompliance;

d) An identification of total amounts questioned, if any, for each federal assistance awarded, as a result of noncompliance;

e) A statement on the status of corrective action taken on prior findings; and

f) Refer to the use of the standards required by the Minnesota Legal Compliance Audit Guide for Local Governments, prepared by the Office of the State Auditor. The purpose of this guide is to establish compliance guidelines for verification by auditors auditing political subdivisions of the state.

In addition to the audit report, the recipient shall provide comments on the findings and recommendations in the report, including a plan for corrective action taken or planned and comments on the status of corrective action taken on prior findings. If corrective action is not necessary, a statement describing the reason it is not should accompany the audit report.

The City agrees that the grantor, the Legislative Auditor, and any independent auditor designated by the grantor shall have such access to grantee's records and financial statements as may be necessary for the grantor to comply with the Single Audit Act and OMB Circular A-128. Required audit reports must be filed with the Office of the State Auditor, Single Audit Division and state agencies providing federal assistance, within six months of the City's fiscal year end.

If a federal cognizant audit agency has been assigned for the City, copies of required audit reports will be filed with that agency also.

Recipients of more than \$100,000 in federal assistance must also submit one copy of the audit report within 30 days after issuance to the central clearinghouse. Audit reports should be sent to:

Bureau of Census  
Data Preparation Division  
1201 East 10th Street  
Jeffersonville, Indiana 47132  
Attn: Single Audit Clearinghouse

C. The City will treat all public, private or cooperatively owned utility facilities which directly or indirectly serve the public and which occupy highway rights of way in conformance with the attached "A Policy for the Accommodation of Utilities on Highway Rights of Way" as approved on April 5, 1988 by the United States Department of Transportation, Federal Highway Administration, Minnesota Division.

-VIII-

All references to statutes and rules shall be construed to refer to the statutes and rules as they may be amended from year to year.

-IX-

The Commissioner accepts this said appointment as agent of the City and agrees to act in accordance herewith.

City of \_\_\_\_\_

Recommended for Approval

By

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Director, Office of State Aid

Date \_\_\_\_\_

Date \_\_\_\_\_

Attest:

Approved as to Form and Execution

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

\_\_\_\_\_  
Special Assistant Attorney General

Date \_\_\_\_\_

Date \_\_\_\_\_

State of Minnesota

\_\_\_\_\_  
Commissioner of Transportation

Date

(Seal)



DATE: December 2, 1988

TO: Jerry Dulgar, City Manager

FROM: Don Peterson, Chief Building Inspector

RE: Inspection with State Boiler Inspector at 6400 27th Ave. N.

At 1:30 p.m., Wednesday, November 30, 1988, I met with Mr. Charles Gehrke/Boiler Inspector at 6400 27th Ave. N. (Douglas Court Apartments).

We proceeded to the Manager's Office and requested permission to inspect the boilers.

Permission was granted and we were accompanied by the maintenance man on our inspections.

The boiler which provides the heat and hot water to the units in question was operating at approximately 15-18 P.S.I. We asked that it be adjusted to 20 P.S.I. which was complied with.

We then inspected the other boiler which supplies heat and hot water to the rest of the units (some which face Florida Ave.). The boiler was operating at 20 P.S.I. and the temperature control on the hot water tank indicated 150 degrees. I opened the hot water faucet in the laundry tray and I doubt if the temperature was more than 120 degrees.

Having given the boiler in the 6400 building time to build up to 20 P.S.I. we returned and inspected that boiler again.

We found the temperature control on the hot water tank set at 150-155 degrees; however, the hot water that I drew was approximately 120 degrees.

I believe the temperature controls to be faulty and Mr. Gehrke suggested the following:

1. That the Hartford Insurance Co. be notified of the lapse of insurance coverage (Due October 1988).
2. That Burner-Matic Service Co. be called and the temperature controls be serviced, repaired or replaced.
3. He strongly suggested that the maintenance man become licensed. He gave him forms and a list of times and places that the test could be taken.

4. That a maintenance record be kept in each boiler room.  
(he supplied records sheets).

I would estimate that by the time the hot water reaches the third floor units it would only have a temperature of 90-110 degrees maximum.

I've talked with Mary Fandrey and we would like to check the water temperature in a third floor unit if the problem continues.

I will be keeping you notified of any further developments.

kk

cc: file

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

December 9, 1988

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

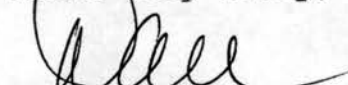
Re: Pawnbroker Ordinance

Dear Jerry:

Enclosed you will find for first reading a draft of an ordinance relating to secondhand goods dealers and pawnbrokers. The ordinance is taken directly from the Minneapolis City Code with modifications for Crystal's format. I have inserted license fees which are similar to Minneapolis, as are the various bond requirements, holding periods, and reporting requirements. The Council may wish to look at those a bit more closely. You will note, too, that the ordinance covers secondhand goods dealers as well as pawnbrokers and the Council may wish to modify the ordinance to exclude the licensing of the former. It seemed to me, however, that a licensing scheme for secondhand sales is probably a good idea as well.

Mr. Holston of Anoka Pawnbrokers has been in touch with me on several occasions about his preferences as to the holding period and redemption period, but I told him that those were matters for the Council to determine. I suspect he will be at the Council meeting Tuesday night.

Yours very truly,



David J. Kennedy

DJK:caw

cc: Arden Fritz

ORDINANCE NO. 88-\_\_\_\_\_

AN ORDINANCE RELATING TO PAWNBROKERS  
AND SECONDHAND GOODS DEALERS: AMENDING  
CRYSTAL CITY CODE, CHAPTER XI BY ADDING A SECTION.

THE CITY OF CRYSTAL DOES ORDAIN:

Section 1. Crystal City Code, Chapter XI, is amended by adding a section to read as follows:

Section 1175 - Secondhand Goods Dealers

1175.01. Definitions. For purposes of this section the terms defined in this subsection have the meanings given them.

Subd. 2. "Pawnbroker" means a person who loans money on deposit or pledge of personal property, or other valuable 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. 3. "Secondhand goods dealer" means a person whose regular business includes selling or receiving tangible personal property (excluding motor vehicles) previously used, rented, owned or leased.

1175.03. Exemptions. This section does not apply to or include the following:

(a) The sale of secondhand goods where all of the following conditions are present:

- (1) the sale is held on property occupied as a dwelling by the seller, or owned, rented or leased by a charitable or political organization;
- (2) the items offered for sale are owned by the occupant;
- (3) the sale does not exceed a period of 72 consecutive hours;
- (4) not more than two sales are held either by the same person or on the same property in any twelve month period; and
- (5) none of the items offered for sale have been purchased for resale or received on consignment for purpose of resale.



- (b) sales by a person licensed under Section 1110 as a motor vehicle dealer;
- (c) the sale of second hand books, magazines, sound or video recordings, or films;
- (d) the sale of goods at an auction held by a licensed auctioneer pursuant to Section 1105;
- (e) the business of buying or selling only those secondhand goods taken as part or full payment for new goods, and where such business is incidental to and not the primary business of a person;
- (f) 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;
- (g) goods sold at a public market; or
- (h) goods sold at a exhibition.

1175.05. License required. Subdivision 1. Secondhand Goods Dealer. No person may engage in the business of secondhand goods dealer without first obtaining a secondhand goods dealer license.

Subd. 2. Pawnbroker. No person may conduct, operate or engage in the business of pawnbroker without having first obtained a license.

Subd. 3. Separate Licenses Required. A pawnbroker may not conduct, operate or engage in the business of secondhand goods dealer without having obtained a secondhand goods dealer license in addition to a pawnbroker license. A secondhand goods dealer may not conduct, operate or engage in the business of pawnbroker without having obtained a pawnbroker license in addition to a secondhand goods dealer license.

1175.07. Multiple Dealers. The owner of a business, at which two 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. A multiple license may not be issued unless the following requirements are met:

- (a) the businesses must have a single name and address;
- (b) the businesses must operate in a compact and contiguous space;
- (c) the businesses must be under the unified control and supervision of the one person who holds the license; and

provide that it is forfeited to the City upon a violation of law or ordinance.

1175.15. Site Plan. The application for a pawnbroker or secondhand goods dealer license must be accompanied by a site plan drawn to scale. The site plan must contain:

- (a) a legal description of the property upon which the proposed licensed premises is situated;
- (b) a plot plan;
- (c) the exact location of the licensed premises on the property, customer and employee parking areas, accesses onto the property, and entrances into the premises;
- (d) the location of and distance from the nearest church, school, hospital, and residence; and
- (e) a floor plan of the licensed premises.

1175.17. Investigations. Subdivision 1. Conduct. The City, prior to the granting of an initial or renewed pawnbroker or secondhand goods dealer license, must conduct a preliminary background and financial investigation of the applicant. Any person having a beneficial interest in the license must be investigated. The investigation shall be conducted by the Chief of Police and the results reported to the City Council. The Chief of Police must verify the facts stated in the application, and must report all convicted violations of state law, federal law or municipal ordinances involving the applicant, interested persons, or the license premises while under that applicant's proprietorship.

Subd. 2. Fee. The fee charged by the City Clerk to an applicant for the costs of investigation is established by the City Council. The applicant will be notified of the investigation fee prior to the City Council's final action on the license application. The investigation fee is payable upon terms established by the City Clerk.

1175.19. Public Hearing. A pawnbroker or secondhand goods dealer license will not be issued or renewed without a public hearing. Any person having an interest in or who will be affected by the proposed license will be permitted to testify at the hearing. The public hearing must be preceded by at ten days' published notice specifying the location of the proposed licensed business premises.

1175.21. Granting of License. After review of the license application, investigation report and public hearing, the City Council may grant or refuse the application for a new or renewed pawnbroker or secondhand goods dealer license. A license will

not be effective unless the application fee and bond have been filed with the City Clerk.

1175.23. Persons ineligible for license. A pawnbroker or secondhand goods dealer will not be issued to:

- (a) a person not a citizen of the United States or a resident alien;
- (b) a person under 18 years of age;
- (c) subject to the provisions of law, a person who within five years of the license application date has been convicted of receiving stolen property, sale of stolen property or controlled substance, burglary, robbery, damage or trespass to property, or any law or ordinance regulating the business of pawnbroker or secondhand goods dealer;
- (d) a person who within five years of the license application date had a pawnbroker or secondhand goods dealer license revoked;
- (e) a person whom the City Council determines not to be of sufficient good moral character and repute; or

when the City Council determines, after investigation and public hearing, that issuance or renewal of the license would adversely affect the public health, safety or welfare.

1175.25. Places ineligible for license. A license will not be issued or renewed under this section for any place or for any business:

- (a) if taxes, assessments or other financial claims of the City or the State of Minnesota on the licensee's business premises are delinquent and unpaid;
- (b) if the premises is located within 300 feet of a school or church;
- (c) where operation of a licensed premises would violate zoning ordinances; or
- (d) where the applicant's present license was issued conditioned upon the applicant making specified improvements to the licensed premises or the property of the licensed premises which improvements have not been completed.

1175.27. Conditional Licenses. The Council may grant an application for a new or renewed pawnbroker or secondhand goods dealer license conditioned upon the applicant making reasonable



improvements to the proposed business premises or the property upon which the business premises is situated. The Council, in granting a conditional license, will specify when the modifications must be completed. Failure to comply with the conditions of the license is grounds for the City Council to refuse to renew the license.

1175.29. License limitations. A license will be issued to the applicant only and only for the business premises as described in the application. The licensee is effective only for the premises specified in the approved license application.

1175.31. Term; Expiration; Pro Rata Fee. The license is issued for a period of one year beginning on July 1 except that if the application is made during the license year a license may be issued for the remainder of the licensed year for a monthly pro rata fee. An unexpired fraction of a month will be counted as a complete month. The license expires on June 30.

1175.33 Refunds. The City Clerk will refund a pro rata share of the license fee for a license to the licensee or the licensee's estate if:

- (a) the business ceases to operate because of destruction or damage;
- (b) the licensee dies;
- (c) the business ceases to be lawful for a reason other than a license revocation; or
- (d) the licensee ceases to carry on the licensed business under the license.

1175.35. Death of Licensee. In the case of the death of a licensee the personal representative of the licensee may continue operation of the business for not more than 90 days after the licensee's death.

1175.37. Records. A licensed secondhand goods dealer and pawnbroker, at the time of receipt of an item, must immediately record, in ink or other indelible medium in a book or word processing unit, the following information:

- (a) 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;
- (b) the purchase price;
- (c) date, time and place of receipt;



- (d) name, address and date of birth of the person from whom the item was received;
- (e) the identification number from any of the following forms of identification of the seller:
  - (1) valid picture driver's license;
  - (2) picture identification;
  - (3) medicard.
- (f) the books as well as the goods received must be open for inspection by the police department at reasonable times. Records required by this subsection must be stored and maintained by the licensee for a period of at least three years.

1175.39. Daily Reports. For the following items, regardless of resale price, a secondhand goods dealer or pawnbroker must make out, on forms approved by the police department, and send daily by mail to the police department a legible description of the goods received 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, or "operation identification" symbol;
- (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 and firearms; and
- (g) items not included in the above, except furniture and kitchen or laundry appliances, which the secondhand goods dealer intends to sell for more than \$200.

1175.41. Stolen Goods. A licensed pawnbroker or secondhand goods dealer must report to the police any article pledged or received, or sought to be pledged or received, if the licensee has reason to believe that the article was stolen or lost.

1175.43. Holding. An item received by a secondhand goods dealer or pawnbroker, for which a report to the police is required may not be sold or otherwise transferred for a period of 12 days after the date of such report to the police. However, an individual may redeem an item pawned 72 hours after the item was received on deposit, excluding Sundays and legal holidays.

1175.45. Receipt. A licensed secondhand goods dealer or pawnbroker must provide a receipt to the seller or consignor of any items which includes:

- (a) the address and phone number of the business;
- (b) the date;
- (c) a description of the item purchased; and
- (d) the purchaser's signature.

1175.47. Police Orders. If a City police officer notifies a dealer not to sell an item, the item may not be sold or removed from the licensed premises until authorized to be released by the police.

1175.49. Weapons. A licensed pawnbroker or secondhand goods dealer may not receive as a pledge or otherwise accept for consignment or sale any revolver, pistol, sawed-off shotgun, automatic rifle, blackjack, switchblade knife, or other similar weapons or firearms.

1175.51. Prohibited Acts. Subdivision 1. Minors. A minor may not sell or consign, or attempt to sell or consign, goods with a secondhand goods dealer or pawnbroker. A secondhand goods dealer or pawnbroker may not receive goods from a minor.

Subd 2. Others. A secondhand goods dealer or pawnbroker may not receive any goods from a person of unsound mind or an intoxicated person.

Subd. 3. Identification. A secondhand goods dealer or pawnbroker may not receive goods, unless the seller presents identification in the form of a driver's license or other pictured identification.

1175.53. License Denial, Suspension or Revocation. A license under this Section may be denied, suspended or revoked by the Council, after a public hearing where the licensee is granted the opportunity to be heard, for one or more of the following reasons:

- (a) the operating of the business is in conflict with any provision of this Code;
- (b) the operation of the business is in conflict with any health, building, building maintenance, zoning, or any other provision of this Code or law;
- (c) the licensee or the business premises fails to conform with the standards for license application contained in this section;

- (d) the licensee has failed to comply with one or more provisions of this Section or any statute, rule or ordinance pertaining to the businesses of pawnbroker or secondhand goods dealer;
- (e) fraud, misrepresentation or bribery in securing a license;
- (f) fraud, misrepresentation or false statements made in the course of the applicant's business;
- (g) subject to the provisions of law, violation within the proceeding five years of any state or federal law relating to theft, damage or trespass to property, sale of a controlled substance or stolen good, or operation of a business.

1175.55. Redemption Period. A person who pawns an item shall have at least four months to redeem the item before it may be sold.

1175.57. Payments by Check. When a secondhand goods dealer buys or otherwise receives an item at the licensed place of business, payment must be made by check made payable to a named payee who is the actual intended seller. This subsection does not apply to pawnbrokers.

1175.59. Inspections. A peace officer or any properly designated employee of the City or the State of Minnesota enter, inspect and search business premises licensed under this Section, during business hours, without a warrant.

1175.61. County License. Secondhand goods dealers and pawnbrokers dealing in precious metals and gems must be licensed by Hennepin County.

1175.63. Penalties. Violation of the provisions of this section is a misdemeanor.

Sec. 2. This ordinance is effective in accordance with Crystal City Code, Subsection 110.11.

\_\_\_\_\_  
Mayor

Attest:

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

A:0011PO01.M65





November 14, 1988

Mrs. Nancy Deno-Gohman  
Administrative Assistant  
City of Crystal  
4141 N. Douglas Drive  
Crystal, MN 55422

Dear Mrs. Deno-Gohman:

I heard the news on the radio that the bond issue for a community center passed at the last election, and I hope the City of Crystal will consider us for space.

Please consider this letter as evidence of great interest on our part, and kindly call us if you have any questions or desire information.

Sincerely yours,

Marshall H. Everson  
LaPepiniere Montessori Schools

MHE/jp

MONTESSORI ACADEMY, INC. AND LA PEPINIERE MONTESSORI SCHOOL, INC.  
MONTESSORI DAY CARE CENTER INC.

OFFICE: 6515 BARRIE ROAD, EDINA, MINNESOTA 55435

TELEPHONE: 612-920-5457



December 8, 1988

TO: Jerry Dulgar, City Manager  
FROM: John A. Olson, Assistant City Manager  
Re: 1989 Salary Recommendations

Attached is the pay group chart of recommendations for 1989 salaries based on the comparable worth program for the City.

As you recall, each position has been evaluated and given a point value from the Control Data Study completed recently. The City has over the past two to three years been moving salary levels to comply with the comparable worth law. That means that some employees' positions get greater increases than others so that they may be paid comparably to other persons in their pay group.

Each pay group has a salary range midpoint and I have attempted to bring the salaries in each pay group to the midpoint level. The salary increases this year are on an average 4 percent greater than the 1988 salaries. They range from 2 percent to 8 percent. There have been some changes over the past year regarding the pay group in which some positions have been placed.

Police Officers have revised the time-spent profiles from the Control Data Study and have been moved up one pay group. The Juvenile Specialist, because that position is tied so closely with Police Officers and does comparable work, has also been placed in the same pay group as Police Officers.

The Administrative Secretary and the Administrative Clerk recently retook the job questionnaire from Control Data (now Personnel Decisions, Inc.) and we have found that their positions need to be moved from group 4 to group 5 and from group 3 to group 4 respectively.

An additional level of Police Secretary has been created which has some supervisory functions over the other secretarial positions in the department. You will also note that there are positions called Police Secretary and Police Secretary I. We will be asking the persons in both those positions to retake a questionnaire in 1989 to determine which pay group that job classification should be located in.

One other difference between this recommendation and that of 1988 is that the pay group salary ranges have been narrowed from 10 percent either side of the midpoint to 5 percent either side of the midpoint.

This has been done so that a person hired in a position does not have a significant change in salary when they have reached the six-month probation period and are to be considered fully qualified employees in their position.

As in the past, employees who are above the midpoint of their pay group have been given 2 percent to bring down their salaries closer to the midpoint of their group. This needs to be done in order to comply with comparable worth regulations.

In 1988 we had several additional salary adjustments in July. This year because of some moving of positions, we have six positions which will receive an additional adjustment in July of 1989.

I have calculated the changes that are recommended and the amount necessary to accomplish these changes is well within the budget limits set by the Council.

I would recommend these changes be made and will be happy to answer questions from you or the Council.

JAO/js

12/88

1989  
PAY GROUP CHART

Pay Group	Position	1988 Salary	Pay Group 1989 Midpoint	Percent Increase Jan.	Percent Increase July	1989 Jan. Salary	1989 July Salary	1989 Pay Group Salary Range
XIII	City Manager							
XII	Chief of Police	\$54,894		2.00%		\$55,992		
	Public Works Director	\$48,436	\$48,906	5.00%		\$50,868		\$46,461-\$51,351
XI	Asst. City Manager	\$46,000		4.00%		\$47,840		
	City Treas./Fin. Dir.	\$48,635	\$48,880	2.00%		\$49,608		\$46,436-\$51,324
X	Police Manager (2)	\$41,412						
	Asst. City Engineer	\$41,385		6.00%		\$43,868		
	W & S Superintendent	\$39,562	\$44,720	7.00%		\$42,331		\$42,484-\$46,956
	Park & Rec Director	\$45,883		2.00%		\$46,800		
	Admin. Asst.	\$41,262		7.00%		\$44,150		
IX	City Clerk	\$37,543		7.00%		\$40,171		
	Street Superintendent	\$37,970	\$40,560	6.00%		\$40,248		\$38,532-\$42,588
	Sanitarian III	\$38,654		4.00%		\$40,200		
VIII	Asst. Park & Rec. Dir.	\$36,263		4.00%		\$37,714		
	City Assessor	\$38,749		2.00%		\$39,524		
	Park Superintendent	\$35,685		4.50%		\$37,290		
	Fire Chief/Marshal	\$40,970	\$37,752	2.00%		\$41,789		\$35,864-\$39,640
	Police Supervisor (5)	\$38,220						
	Bldg. Inspector	\$37,339		3.00%		\$38,459		
VII	Police Officer (22)	\$33,408						
	Asst. Bldg. Inspector	\$32,816		5.00%		\$34,457		
	Recreation Supervisor	\$33,137		5.00%		\$34,794		
	Sanitarian II (2)	\$32,471	\$34,840	6.00%		\$34,420		\$33,098-\$36,582
	Engrg. Aide IV	\$33,284		4.00%		\$33,615		
	Appraiser	\$33,354		4.00%		\$34,688		
	Juvenile Specialist	\$34,702		3.50%		\$35,917		
VI			\$30,688					\$29,146-\$32,214
V	Police Secretary II	\$26,244		3.00%		\$27,031		

	Engrg. Aide II	\$25,908		4.00%		\$26,944		
	Special Assess. Clerk	\$24,411	\$27,040	5.00%		\$25,875		\$25,688-\$28,392
	Mechanic (2)	\$27,506		3.00%		\$28,331		
	Heavy Equip. Oper. (2)	\$27,506		3.00%		\$28,331		
	Admin. Secretary	\$23,249		8.00%	5.00%	\$25,109	\$26,364	
IV	Assessing Dept. Clerk	\$20,812		8.00%	5.00%	\$22,477	\$23,600	
	Engrg. Dept. Secretary	\$22,325		6.00%	4.00%	\$23,665	\$24,611	
	Utility Billing Clerk	\$23,260		4.00%		\$24,190		
	Administration Clerk	\$19,000		8.00%	8.00%	\$20,520	\$22,162	
	Accounting Clerk	\$23,207	\$24,700	5.00%		\$24,367		\$23,465-\$25,935
	W & S Maintenance (6)	\$25,954		2.00%		\$26,473		
	Communications Ck. (5)	\$24,276						
	Police Secretary	\$23,844		4.00%		\$24,798		
III	Police Secretary I	\$20,200		5.00%	2.50%	\$21,210	\$21,740	
	Custodian	\$21,940		2.00%		\$22,379		
	Light Equip. Oper. (6)	\$24,618		2.00%		\$25,110		
	Payroll Clerk	\$20,467	\$21,840	6.00%		\$21,695		\$20,748-\$22,554
	Health Dept. Sec.	\$20,634		5.00%		\$21,665		
	Building Dept. Clerk	\$20,591		5.00%		\$21,620		
	Parkkeeper (8)	\$24,618		2.00%		\$25,110		
II	Finance Secretary	\$17,389		5.00%		\$18,258		
	Switchboard Operator	\$16,500	\$18,304	8.00%	2.50%	\$17,820	\$18,265	\$17,389-\$19,219
	Park Secretary	\$18,527		4.00%		\$19,268		

JAO/js



CITY OF CRYSTAL  
FUND TRANSFERS

COUNCIL APPROVAL DATE 12-13-88

TRANSFER FROM CODE	TRANSFER TO CODE	EXPLANATION	AMOUNT
Severance Pay	Legal-Legal Fees	Excess Legal Fees	\$ 25,000.00
01-4135-000-32	01-4312-000-28		
NonDept-Legal Fees	Legal-Legal Fees	Excess Legal Fees	1,000.00
01-4312-000-32	01-4312-000-28		
Emer Allow	Park-Capital Outlay	Playground Equipment	15,000.00
01-4990-000-32	01-4530-000-21		
Temp Wages - Pool	Park-Capital Outlay	Playground Equipment	2,000.00
01-4130-000-31	01-4530-000-21		
Sidewalk Rep #88-2	General	Engr, Legal & Clinical Fees	1,366.00
46-4310-516-32	01-315		
Sealcoat #88-1	General	Engr, Legal & Clinical Fees	20,093.71
46-4310-515-32	01-3513		
Sealcoat #88-1	General	City Labor Sealcoat #88-1	31,912.52
46-4100-515-32	01-3513		
Sealcoat #88-1	Eq Res	City Equip Sealcoat #88-1	25,718.80
46-4393-515-32	72-3590		
Sewer Operating	General	Administrative Overhead - 1988	27,500.00
81-4990-000-24	01-3590		
Water Operating	General	Administrative Overhead - 1988	27,500.00
81-4990-000-23	01-3590		
Street Lighting	General	Administrative Overhead - 1988	5,500.00
82-4990-000-32	01-3590		
General-Park Dept	Sealcoat #88-1	Sealcoat on City Streets Abutting	1,925.42
01-4384-000-21	46-4530-515-32	Park Property	

CITY OF CRYSTAL  
FUND TRANSFERS

COUNCIL APPROVAL DATE 12-13-88

[illegible]

RESOLUTION NO. \_\_\_\_\_

RESOLUTION ADOPTING THE CITY OF CRYSTAL  
DEPENDENT CARE ASSISTANCE PLAN

BE IT HEREBY RESOLVED by the City Council of the City of Crystal, Minnesota, as follows:

1. The City Manager has prepared and presented to the City Council a proposal for the adoption of a Dependent Care Assistance Plan for ~~non-union~~ City employees. The form of the plan and its operative documents are on file in the office of the City Clerk.
2. The City Council finds and determines that it is in the best interests of the sound administration of City Government that the plan be adopted and covered employees be offered the opportunity to participate in it.
3. The Mayor, City Manager, and other officers of the City are authorized and directed to execute and deliver all documents necessary for the prompt implementation of the plan to assure that it is in effect as of January 1, 1989.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Mayor

.. ATTEST:

\_\_\_\_\_

11RE01K

CITY OF CRYSTAL

DEPENDENT CARE ASSISTANCE PLAN

Effective January 1, 1989



CITY OF CRYSTAL  
DEPENDENT CARE ASSISTANCE PLAN

TABLE OF CONTENTS

<u>ARTICLE</u>		<u>Page</u>
I.	INTRODUCTION.....	1
II.	DEFINITIONS.....	1
	2.1. "Administrator".....	1
	2.2. "Cafeteria Plan".....	1
	2.3. "Code".....	1
	2.4. "Dependent".....	2
	2.5. "Dependent Care Assistance Account".....	2
	2.6. "Dependent Care Expenses".....	2
	2.7. "Dependent Care Service Provider".....	2
	2.8. "Earned Income".....	3
	2.9. "Effective Date".....	2
	2.10. "Employee".....	3
	2.11. "Employer".....	3
	2.12. "Participant".....	3
	2.13. "Plan".....	3
	2.14. "Plan Year".....	3
III.	PARTICIPATION.....	3
	3.1. Eligibility - Commencement of participation.....	3
	3.2. Cessation of participation.....	4
	3.3. Reinstatement of former Participant.....	4
	3.4. Change in employment status.....	4
IV.	ELECTION TO RECEIVE DEPENDENT CARE ASSISTANCE.....	4
	4.1. Election procedure.....	4
	4.2. Maximum dependent care assistance..	5
V.	DEPENDENT CARE ASSISTANCE ACCOUNTS.....	5
	5.1. Establishment of accounts.....	5
	5.2. Crediting of accounts.....	6
	5.3. Debiting of accounts.....	6

5.4.	Forfeiture of accounts.....	6
5.5.	Time eligible expenses are incurred.....	7
VI.	PAYMENT OF DEPENDENT CARE ASSISTANCE.....	7
6.1.	Claims for reimbursement.....	7
6.2.	Reimbursement or payment of expense.....	8
6.3.	Report to Participants .....	9
VII.	TERMINATION OF PARTICIPATION.....	9
VIII.	ADMINISTRATION.....	10
8.1.	Plan Administrator.....	10
8.2.	Examination of records.....	10
8.3.	Records and reports.....	11
8.4.	Nondiscriminatory exercise of authority.....	11
8.5.	Indemnification of Administrator...	11
IX.	AMENDMENT OF PLAN.....	11
X.	CLAIMS PROCEDURE.....	12
10.1.	Claims procedure.....	13
XI.	MISCELLANEOUS.....	13
11.1.	Communication to Employees.....	13
11.2.	Limitation of rights.....	14
11.3.	Nonassignability of rights.....	14
11.4.	Taxation.....	14
11.5.	Governing law.....	15
11.6.	Auxiliary documents.....	15
11.7.	Indemnification of Employer by participants.....	15
11.8.	Benefits solely from general assets.....	15

CITY OF CRYSTAL  
DEPENDENT CARE ASSISTANCE PLAN

ARTICLE I.

Introduction

This Plan is intended to qualify as a dependent care assistance program under Section 129 of the Internal Revenue Code of 1986, as amended, and is to be interpreted in a manner consistent with the requirements of Section 129. The purpose of the Plan is to enable Participants to elect to receive payments or reimbursements of their Dependent Care Expenses that are excludable from the Participants' gross income under Section 129 of the Code. This document is not intended to contain the entire Dependent Care Assistance Plan for the City of Crystal. This Plan is adopted in conjunction with the City of Crystal Employee Flexible Benefit Account Plan. Therefore the terms and conditions contained in the City of Crystal Employee Flexible Benefit Account Plan are incorporated herein by reference.

ARTICLE II.

Definitions

Wherever used herein, the following terms have the following meanings unless a different meaning is clearly required by the context:

2.1. "Administrator" means the Employer or such other person or committee as may be appointed from time to time by the Employer to supervise the administration of the Plan.

2.2. "Cafeteria Plan" means the City of Crystal Employee Flexible Benefit Account Plan, effective January 1, 1985, as amended from time to time.

2.3. "Code" means the Internal Revenue Code of 1986, as amended from time to time. Reference to any section or subsection of the Code includes reference to any comparable or succeeding provisions of any legislation which amends, supplements or replaces such section or subsection.

2.4. "Dependent" means any individual who is (a) a dependent of the Participant who is under the age of 13 and with respect to whom the Participant is entitled to an exemption under section 151(c) of the Code, or (b) a dependent or spouse of the Participant who is physically or mentally incapable of caring for himself or herself.

2.5. "Dependent Care Assistance Account" means the account described in Article V hereof.

2.6. "Dependent Care Expenses" mean expenses incurred by a Participant which (a) are incurred for the care of a Dependent of the Participant or for related household services, (b) are paid or payable to a Dependent Care Service Provider, and (c) are incurred to enable the Participant to be gainfully employed for any period for which there are one or more Dependents with respect to the Participant. "Dependent Care Expenses" shall not include expenses incurred for services outside the Participant's household for the care of a Dependent unless such Dependent is described in Section 2.6(a) or regularly spends at least eight hours each day in the Participant's household.



2.7. "Dependent Care Service Provider" means a person who provides care or other services described in Section 2.6 above, but shall not include (a) a dependent care center (as defined in section 21(b)(2)(D) of the Code), unless the requirements of Code section 21(b)(2)(C) are satisfied, or (b) a related individual described in section 129(c) of the Code.

2.8. "Earned Income" means wages, salaries, tips and other employee compensation as defined under Section 32(c)(2) of the Code, reduced by any amounts paid or incurred by the Employer for dependent care assistance to the Employee.

2.9. "Effective Date" means the date on which the Plan becomes effective, i.e. January 1, 1989.

2.10. "Employee" means any person regularly employed by the City on a continuing basis who works more than 1,000 hours in a Plan Year. Employees eligible to participate do not include any employees who are represented by a labor organization and are party to a collective bargaining agreement.

2.11. "Employer" means the City of Crystal.

2.12. "Participant" means an Employee who elects to participate in the Plan in accordance with Article IV.

2.13. "Plan" means the City of Crystal Dependent Care Assistance Plan as set forth herein, together with any and all amendments and supplements hereto.

2.14. "Plan Year" means the 12 month consecutive period commencing each January 1 and ending on each December 31 thereafter.

A pronoun or adjective in the masculine gender includes the feminine gender and the singular includes the plural, unless the context clearly indicates otherwise.

ARTICLE III.

Participation

3.1. Eligibility - Commencement of participation. Employees of the City of Crystal will be eligible to participate in the Plan. An Employee shall become a Participant on the later of (a) the Effective Date or (b) the first day of the month following the date he becomes an Employee; provided, however, that such Employee has made an election to participate in the Plan in accordance with Article IV.

3.2. Cessation of participation. A Participant will cease to be a Participant as of the earlier of (a) the date on which the Plan terminates, (b) the date on which he ceases to be an Employee eligible to participate under Section 3.1, or (c) the date the Participant ceases to be employed by the Employer.

3.3. Reinstatement of former Participant. A former Participant shall become a Participant again if and when he meets the eligibility requirements of Section 3.1.

3.4. Change in employment status. In the event a Participant ceases to be a Participant in this Plan, as provided in Section 3.2 above, such Participant will still be allowed to submit claims for reimbursement against the balance in such Participant's Dependent Care Assistance Account for Dependent Care Expenses incurred prior to the date participation is

terminated in accordance with the claims reimbursement procedure in Article VII.

#### ARTICLE IV.

##### Election To Receive Dependent Care Assistance.

4.1. Election procedure. A Participant may elect to receive dependent care assistance under this Plan by filing an election and compensation reduction agreement in accordance with the procedures established under the Cafeteria Plan. An election to receive dependent care assistance shall be irrevocable during the Plan Year, subject to a change in family status, as provided in the Cafeteria Plan.

4.2. Maximum dependent care assistance benefits. The maximum amount which the Participant may receive in any Plan Year in the form of dependent care assistance is the lesser of:

(a) \$5,000 (\$2,500 in the case of a separate return by a married individual) per calendar year.

(b) For a Participant who is single at year end, an amount no more than his/her Earned Income that year.

(c) For a Participant who is married at year end, an amount no greater than the lesser of the Earned Income of the Participant, or the Earned Income of the Participant's spouse, for that year.

(d) If the spouse is physically or mentally disabled or is a full-time student at an educational institution for at least 5 months in the year, the spouse has an assumed income for each month of being disabled or being a student of \$200. If, in addition to the spouse, there are also one or more dependents or qualifying individuals, the assumed income is \$400 per month.

## ARTICLE V.

### Dependent Care Assistance Accounts

5.1. Establishment of accounts. The Employer shall establish and maintain on its books a Dependent Care Assistance Account for each Plan Year with respect to each Participant who has elected to receive dependent care assistance for the Plan Year.

5.2. Crediting of accounts. There shall be credited to a Participant's Dependent Care Assistance Account for each Plan Year, as of each date compensation is paid to the Participant in such Plan Year, an amount equal to the reduction, if any, to be made in such compensation in accordance with the Participant's election and compensation reduction agreement under the Cafeteria Plan.

5.3. Debiting of accounts. A Participant's Dependent Care Assistance Account for each Plan Year shall be debited from time to time in the amount of any payment under Article VI to or for the benefit of the participant for Dependent Care Expenses



incurred during such Plan Year. Amounts debited to each such Dependent Care Assistance Account shall be treated as payments of the earliest amounts credited to the Account and not yet treated as paid under this sentence, under a "first-in/first-out" approach.

5.4. Forfeiture of accounts. The amount credited to a Participant's Dependent Care Assistance Account for any Plan Year shall be used only to reimburse the Participant for Dependent Care Expenses incurred during such Plan Year, and only if the Participant applies for reimbursement on or before the 60th day following the close of the Plan Year, as provided under Section 6.2 below. If any balance remains in the Participant's Dependent Care Assistance Account for any Plan Year after all reimbursements hereunder, such balance shall not be carried over to reimburse the Participant for Dependent Care Expenses incurred during a subsequent Plan Year, and shall not be available to the Participant in any other form or manner, but will remain the property of the Employer, and the Participant shall forfeit all rights with respect to such balance.

5.5. Time eligible expenses are incurred. Dependent Care Expenses reimbursed out of the Dependent Care Assistance Account must have been incurred during the period the Participant was participating in the Plan. Expenses are treated as having been incurred when the Participant is provided with the dependent care assistance that gives rise to the Dependent Care Expenses, and not when the Participant is formally billed, charged for, or pays for the dependent care assistance. However, the actual

reimbursement of the Dependent Care Expenses may be made after the end of the Plan Year, as provided under Section 6.2 below, except as otherwise modified by Article VII.

#### ARTICLE VI.

##### Payment of Dependent Care Assistance

6.1. Claims for reimbursement. A Participant who has elected to receive dependent care assistance for a Plan Year may apply to the Employer for reimbursement of Dependent Care Expenses incurred by the Participant after the Effective Date of this Plan and during the Plan Year by submitting an application in writing to the Employer, in such form as the Employer may prescribe, setting forth:

6.1.1 the amount, date and nature of the expense with respect to which a benefit is requested;

6.1.2. the name of the person, organization or entity to which the expense was or is to be paid; and

6.1.3. such other information as the Employer may from time to time reasonably require.

Such application shall be accompanied by bills, invoices, receipts, cancelled checks, affidavits, vouchers, or any other statements showing the amounts of such expenses, together with any additional documentation which the Administrator may reasonably request.

6.2. Reimbursement or payment of expenses. The Employer shall reimburse the Participant from the Participant's Dependent Care Assistance Account for Dependent Care Expenses incurred after the Effective Date of the Plan and during the Plan Year for which the Participant submits documentation in accordance with Section 6.1. The Participant may apply to the Employer for

reimbursement of Dependent Care Expenses at any time during the Plan Year but not later than 90 days following the close of the Plan Year. Claims for reimbursement of Dependent Care Expenses must be submitted in an aggregate amount totaling at least \$25, except for prior year's claims filed after the end of the Plan Year when any amount may be submitted.

The Employer may, at its option, pay any such Dependent Care Expenses directly to the Dependent Care Service Provider in lieu of reimbursing the Participant. No reimbursement or payment under this Section 6.2 for expenses incurred during a Plan Year shall at any time exceed the balance of the Participant's Dependent Care Assistance Account for the Plan Year at the time of the reimbursement or payment. The amount of any Dependent Care Expenses not reimbursed or paid as a result of the preceding sentence shall be carried over and reimbursed or paid only if and when the balance in such Account permits such reimbursement or payment.

6.3. Report to Participants. On or before January 31 of each year, the Administrator shall furnish to each Participant who has received dependent care assistance during the prior calendar year a written statement showing the amount of such assistance paid during such calendar year with respect to the Participant.

## ARTICLE VII.

### Termination of Participation

In the event that a Participant ceases to be a Participant in this Plan during the Plan Year, as provided in Section 3.2

above, the Participant's compensation reduction agreement relating to dependent care assistance shall terminate. The Participant (or his estate) shall be entitled to reimbursement only for Dependent Care Expenses incurred within the same Plan Year and prior to the date participation is terminated, and only if the Participant (or his estate) applies for such reimbursement in accordance with Section 6.1 on or before the 60th day after the date participation is terminated. No such reimbursement shall exceed the remaining balance, if any, in the Participant's Dependent Care Assistance Account for the Plan Year in which the expenses were incurred.

#### ARTICLE VIII.

##### Administration

8.1. Plan Administrator. The administration of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in the Plan without discrimination among them. The Administrator will have full power to administer the Plan in all of its details, subject to applicable requirements of law. For this purpose, the Administrator's powers will include, but will not be limited to, the following powers, in addition to all other powers provided by this Plan:

8.1.1. to make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan. All rules and decisions of the Administrator shall be uniformly and consistently applied to all Participants in similar circumstances;



8.1.2. to interpret the Plan, its interpretation thereof in good faith to be final and conclusive on all persons claiming benefits under the Plan;

8.1.3. to decide all questions concerning the Plan and the eligibility of any person to participate in the Plan;

8.1.4. to appoint such agents, counsel, accountants, consultants and other persons as may be required to assist in administering the Plan; and

8.1.5. to allocate and delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan, any such allocation, delegation or designation to be by written instrument and in accordance with applicable requirements of law.

8.2. Examination of records. The Administrator will make available to each Participant such of its records under the Plan as pertain to him, for examination at reasonable times during normal business hours.

8.3. Records and reports. The Administrator shall exercise such authority and responsibility as it deems appropriate in order to comply with the terms of the Plan relating to the records of the Participant and the balances which are maintained under this Plan. The Administrator shall be responsible for complying with all reporting, filing and disclosure requirements established by the Internal Revenue Service for Section 125 plans. After the close of each Plan Year the Administrator shall provide to each Participant a statement of his participation.

8.4. Nondiscriminatory exercise of authority. Whenever, in the administration of the Plan, any discretionary action by the Administrator is required, the Administrator shall exercise its authority in a nondiscriminatory manner so that all persons similarly situated will receive substantially the same treatment.

8.5. Indemnification of Administrator. The Administrator shall be indemnified by the Employer against any and all liabilities arising by reason of any act or failure to act made in good faith pursuant to the provisions of the Plan, including expenses reasonably incurred in the defense of any claims relating thereto.

#### ARTICLE IX.

##### Amendment of Plan

The Plan may be amended at any time, and from time to time, by a written instrument executed by duly authorized representatives of the Employer provided such amendment or amendments shall be communicated to all Participants and eligible Employees under this Plan by mailing a notice of said amendment to the Participants' and eligible Employees' last known address.

#### ARTICLE X.

##### Claims Procedure

###### 10.1. Claims Procedure.

10.1.1. Claims for benefits under the Plan shall be made in writing to the Administrator.

10.1.2. If such claim for benefits is wholly or partially denied, the Administrator shall, within a reasonable period of time, but no later than ninety (90) days after receipt of the claim, notify the claimant of the denial of the claim. Such notice of denial (1) shall be in writing, (2) shall be written in a manner calculated to be understood by the claimant, and (3) shall contain (A) the specific reason or reasons for denial of the claim, (B) a

specific reference to the pertinent Plan provisions upon which the denial is based, (C) a description of any additional material or information necessary for the claimant to perfect the claim, along with an explanation why such material or information is necessary, and (D) an explanation of the Plan's claim review procedure.

10.1.3. Within one hundred twenty (120) days of the receipt by the claimant of the written notice of denial of the claim, or such later time as shall be deemed reasonable taking into account the nature of the benefit subject to the claim and any other attendant circumstances or if the claim has not been granted within a reasonable period of time, the claimant may file a written request with the Administrator that it conduct a full and fair review of the denial of the claimant's claim for benefits, including conducting a hearing, if deemed necessary for the reviewing party. In connection with the claimant's appeal of the denial of his benefit, the claimant may review pertinent documents and may submit issues and comments in writing.

10.1.4. The Administrator shall deliver to the claimant a written decision on the claim promptly, but not later than sixty (60) days, after the receipt of the claimant's request for review, except that if there are special circumstances (such as the need to hold a hearing, if necessary) which require an extension of time for processing, the aforesaid sixty (60) day period shall be extended to one hundred twenty (120) days. Such decision shall (1)

be written in a manner calculated to be understood by the claimant, (2) include specific reasons for the decision, and (3) contain specific references to the pertinent Plan provisions upon which the decision is based. Decisions by the Administrator shall be final.

#### ARTICLE XI.

##### Miscellaneous

11.1. Communication to Employees. Promptly after the Plan is adopted, the Employer will notify all Employees of the availability and terms of the Plan.

11.2. Limitation of rights. Neither the establishment of the Plan nor any amendment thereof will be construed as giving to any Participant or any other person any legal or equitable right against the Administrator or the Employer, except as expressly provided herein. Nothing contained in this Plan shall be construed as a contract of employment between the Employer and any Employee, or as a right of any Employee to be continued in the employment of the Employer, or as a limitation of the right of the Employer to discharge any of its Employees, with or without cause.

11.3. Nonassignability of rights. The right of any Participant to receive any reimbursement under the Plan shall not be alienable by the Participant by assignment, transfer, sale, pledge, garnishment, execution, levy or any other method, and will not be subject to be taken by his creditors by any process whatsoever, and any attempt to cause such right to be so



subjected will not be recognized, except to such extent as may be required by law.

11.4. Taxation. The Employer believes this Plan to be in compliance with Sections 125 and 129 of the Code and that it provides certain fringe benefits to Employees which are free of tax pursuant to other provisions of the Code. Any Participant, by accepting a benefit under this Plan, agrees to be liable for any tax that may be imposed with respect to those benefits, plus interest and penalties, if any, as may be imposed by the Internal Revenue Service.

11.5. Governing law. This Plan shall be interpreted under the laws of the State of Minnesota.

11.6. Auxiliary documents. Each Participant, family member or beneficiary, does, by his acceptance of potential benefits under this Plan, agree to execute any documents which may be necessary or proper in the carrying out of the purpose and intent of the Plan.

11.7. Indemnification of Employer by Participants. If any Participant receives one or more payments or reimbursements under Article VI that are not for Dependent Care Expenses, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus

the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

11.8. Benefits solely from general assets. The benefits provided hereunder will be paid solely from the general assets of the Employer. Nothing herein will be construed to require the Employer or the Administrator to maintain any fund, trust, fund, or segregate any amount for the benefit of any Participant and no Participant or other person shall have any claim against, right to or security or other interest in any fund, account or asset of the Employer from which payment under the Plan may be made.

IN WITNESS WHEREOF, the Employer has caused this Plan to be executed in their names and on their behalf by its officers thereunto duly authorized this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_.

EMPLOYER:  
CITY OF CRYSTAL

By: \_\_\_\_\_

2801DC01.A46

December 8, 1988

TO: Mayor & Councilmembers  
FROM: Jerry Dulgar, City Manager  
Re: Manager's Contract

If you don't recall, the City Manager's contract with the City runs from November 30 to November 30. When it is renewed I would recommend that we make it for 13 months so it is up for renewal December 31, 1989. Then the result would be that my contract is on the same basis as the union contracts and also when the non-unionized employees salaries are adjusted.

I also want to indicate that I've enjoyed my first year in Crystal very much, enjoyed working with all of you, the City employees and the residents very much, and expect to enjoy the future even more. City operations have continued to operate quite smoothly and I expect they will in the future. I do anticipate some minor re-organization as time goes on that will improve services and streamline the operation, but no earth shaking changes.

For your information I have included a survey of managers' salaries from communities I feel are fairly similar to Crystal. Some are larger, some are smaller, we all do about the same things so I feel there is a good balance.

I'll be happy to answer any questions you have or supply any additional information. I'd like the Council to consider a salary increase plus an adjustment in the amount the City contributes to deferred compensation.

Thank you in advance for your consideration.

JD/js

# SALARY SURVEY

<u>CITY</u>	<u>1988 SALARY</u>	<u>NUMBER OF EMPLOYEES</u>	<u>TRANSPORTATION ALLOWANCE</u>	<u>YEARS EXPERIENCE</u>	<u>DEFERRED COMP.</u>
St. Louis Park	\$72,100	230	24 hr. car	6/10	\$7,500
Minnetonka	71,200	193	24 hr. car	11/15	7,500
Richfield	67,400	210	24 hr. car	6/10	7,500
Brooklyn Center	69,400	125	24 hr. car	15+	-0-
Fridley	65,500	140	\$2,758 per year	11/15	7,500
Crystal	62,500	100	24 hr. car	15+	2,000
New Hope	63,100	71	24 hr. car	6/10	820
Columbia Heights	59,500	124	\$125.00 per month	6/10	-0-
Hopkins	58,000	94	staff car	6/10	725
Robbinsdale	70,000	75	24 hr. car	6/10	4,350
North St. Paul	<u>58,000</u>	53	\$2,400 per year	6/10	-0-
Average	\$65,200				



# RESOLUTION HONORING THOMAS N. AAKER

12/13/88

Whereas, Thomas Aaker has respectfully served the City of Crystal as mayor for the past 4½ years with strong leadership and courage, and

Whereas, Thomas Aaker effectually served as Councilmember for — years, and

Whereas, under his direction the City Council of Crystal was one of the first cities in the area to "open up" its meetings to the public by cablecasting its meetings, and

Whereas, during his tenure the city has continued to strive to improve itself through thoughtful and planned redevelopment as evidenced by the Bass Lake Col. area redevelopment and the opening of the new senior citizen apartment building, Elbow Chase, and

Whereas, by way of his leadership the city's charter commission was reactivated to modernize the city's charter, and

Whereas, under his leadership as mayor and chair of the long-range planning commission the city has effectively dealt with and planned for its future through the development of a five year plan, and

Whereas, as mayor, Thomas Aaker initiated the unique concept of "Arts in the Park" for the

benefit, enjoyment and enrichment  
of all Crystal residents, and

Whereas, under his leadership Crystal  
has maintained its position as a  
leader among area cities, and

Whereas, during his tenure as Mayor  
Thomas Aaker and the City Council <sup>at</sup> careful study proposed  
and the voters ratified a new community  
center to be of use to all citizens and civic  
groups and to be a focal point for our  
community,

Now, therefore, be it resolved that the  
City Council of the City of Crystal go on  
record thanking Thomas Aaker for his caring  
involvement and dedicated service to the city and its people.

Whereas, through the creation of the recycling  
subcommittee, Mayor Aaker has been  
instrumental in initiating Crystal's recycling plans, and

Receiver  
# 43443

# APPLICATION FOR LICENSE

14033

4141 Douglas Drive, Crystal, Minnesota 55422

HONORABLE CITY COUNCIL  
CRYSTAL, MINNESOTA

COUNCIL MEMBERS:

I Godfather's Pizza, inc. dba

WE Godfather's Pizza

99 Willow Bend

Crystal, MN 55428

Fee, \$ 522.50

New ..... Renewal <sup>x</sup> <sup>x</sup>

Telephone 537-3354

(See attached)

enclose the sum of Five Hundred Twenty Two and 50/100 DOLLARS  
to the City of Crystal as required by the Ordinances of said City and have complied with all the require-  
ments of said Ordinances necessary for obtaining this License :

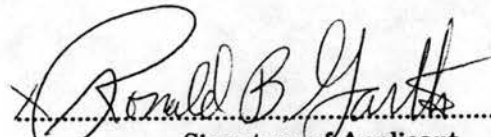
NOW, THEREFORE, I

Godfather's Pizza, Inc. dba Godfather's Pizza hereby make application to

operate a tavern at 99 Willow Bend

for the period 9/16/88 through 6-30-89 subject to all  
conditions and provisions of said Ordinance.

City Use Only

  
Signature of Applicant



June 2, 1988

Darlene George, License Supervisor  
City of Crystal  
4141 Douglas Drive  
Crystal, Minnesota 55422-1696

RE: Alcoholic Beverage License  
Godfather's Pizza No. 24513  
99 Willow Bend  
Crystal, Minnesota 55428

Dear Ms. George:

We are writing to inform you of a probable change in the ownership of Godfather's Pizza, Inc. ("GPI"). GPI is the holder of the above-described license issued by your department for the sale of certain alcoholic beverages at the above-described Godfather's Pizza restaurant.

The Pillsbury Company, which presently owns all the outstanding stock of GPI, intends to sell this stock to a buying group, the majority of which consists of senior management personnel of GPI. This sale is contingent upon the completion of a purchase agreement and the obtaining of the necessary financing by the buyer. We anticipate this transaction will close within the next 30 days.

After this proposed sale, Godfather's Pizza, Inc. will remain the licensee under the above-described license, its principal corporate officers and managing agent (if any is required in your jurisdiction) will remain the same, and no significant changes are planned in the day-to-day operation of the restaurant at this location.

Will you please inform me as soon as possible whether your office will require any additional information regarding this transaction for the above-described license to remain in good standing following this transaction. If you wish to call me, you may use our toll free number 800-456-8347.

Thank you for your assistance in this matter.

Sincerely,

Robin Boswell  
License Coordinator

GRB/JAS:806061

**Godfather's Pizza, Inc.**

9140 West Dodge Road Omaha, Nebraska 68114 402 • 391 • 1452





4141 Douglas Drive North • Crystal, MN 55422-1696 • 537-8421

ADMINISTRATIVE OFFICE

June 10, 1988

Robin Boswell  
License Coordinator  
Godfather's Pizza, Incorporated  
9140 West Dodge Road  
Omaha, Nebraska 68114

Re: Alcoholic Beverage License  
Godfather's Pizza No. 24513  
99 Willow Bend  
Crystal, Minnesota 55428

Dear Ms. Boswell:

In reply to your letter of June 2, 1988, I am enclosing a City of Crystal Addendum For Corporation Liquor Licenses. If and when this probable change in ownership of Godfather's Pizza, Inc. is complete, please answer each question on the addendum, furnishing information not previously reported to the City Council on any prior application, and return it to my attention. Use separate sheets of paper if necessary.

If management of the above referenced location changes, an investigation on that individual would be required.

If you have any further questions, feel free to contact me.

Sincerely,

Darlene George,  
City Clerk

Enclosure

cc: Jerry Dulgar, City Manager



October 21, 1988

Darlene George, City Clerk  
City of Crystal  
4141 Douglas Drive North  
Crystal, MN 55422-1696

SUBJECT: ALCOHOLIC BEVERAGE LICENSE

LOCATION: Godfather's Pizza #24513  
99 Willow Bend  
Crystal, MN 55428

Dear Ms. George:

In June of 1988, Robin Boswell wrote to you regarding the probable sale of Godfather's Pizza, Inc. ("GPI"), by The Pillsbury Company, to a group consisting of the Senior Management of Godfather's Pizza, Inc.

The above described transaction was recently completed. Herman Cain and Ronald B. Gartlan own 93% of the stock of "GPI" and will remain in their position of President and Vice President, Secretary & Treasurer, respectively.

I am enclosing the following documents in conjunction with the sale of Godfather's Pizza, Inc.:

- 1) Addendum for Corporation Liquor Licenses
- 2) Exhibit "A" listing the stockholders

If you have any questions or need further information, please don't hesitate to contact me at (800) 456-8347, extension 412.

Sincerely,

Pamela S. Fox  
Development Coordinator

PF/s  
Enclosures

cc: Gary Batenhorst

/LIQ/24513.ATT

**Godfather's Pizza, Inc.**

9140 West Dodge Road Omaha, Nebraska 68114 402 • 391 • 1452

license year 07/01/88 - 06/30/89

CITY OF CRYSTAL

ADDENDUM FOR CORPORATION LIQUOR LICENSES. (Must be filled out by each corporate applicant)

Directions: As to each question hereinafter asked, state fully your answers to each question furnishing information not previously reported to the City Council on any prior application.  
(Use separate sheets of paper if necessary)

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.
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.
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.
- 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.
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.
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.
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.



7. (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.

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.

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.



CITY OF CRYSTAL, MINNESOTA

Attachment to Addendum for Corporate Liquor Licenses

Question 1: Citibank North America, Inc. and the Pillsbury Company each have warrants to acquire certain common stock of Godfather's Pizza, Inc. At this time, none of these warrants have been exercised, and Godfather's Pizza, Inc. does not anticipate that any of these warrants will be exercised in the immediate future.

Citicorp North America, Inc.  
2600 Michelson Drive, 12th Floor  
Irvine, CA 92715

The Pillsbury Company  
200 South 6th Street  
Minneapolis, MN 55402

Question 2: To ensure that your records are up to date, the information in response to this question covers the period from April 1, 1986 to the present date. As of April 1, 1986 the Board of Directors of Godfather's Pizza, Inc. consisted of James R. Behnke, Herman Cain, J. Jeffrey Campbell, Jerry W. Levin, John M. Stafford, and Edward C. Stringer. With the exception of Mr. Cain, whose business address is 9140 West Dodge Road, Omaha, Nebraska 68114, the business address of the remaining directors is The Pillsbury Company, Pillsbury Center, Minneapolis, Minnesota 55402. Mr. Stafford resigned from the Board of Directors effective March 1, 1988 and was replaced by Roger L. Headrick. Mr. Campbell resigned from the Board of Directors on June 20, 1988 and was not replaced. Mr. Headrick, Mr. Levin, and Mr. Stringer resigned from the Board of Directors on September 16, 1988. They were replaced by Ronald B. Gartlan, 9140 West Dodge Road, Omaha, Nebraska 68114. At the present time Mr. Cain and Mr. Gartlan are the only members of the Board of Directors of Godfather's Pizza, Inc.

Question 3: (a) Please see the attached Exhibit "A" showing the number of shares issued by Godfather's Pizza, Inc. All of such shares are voting common stock.

(b) The 100 shares of voting common stock owned by The Pillsbury Company, which constituted all outstanding shares of the corporation prior to September 16, 1988, were transferred to Godfather's Pizza, Inc. and cancelled as part of the transaction described in our cover letter.

- Question 4: Applicant did not hold any stockholders meetings during the previous year, as the stock of Godfather's Pizza, Inc. was previously owned 100% by The Pillsbury Company.
- Question 5: (c) Present in person were James R. Behnke, Jerry W. Levin, and Edward C. Stringer, all directors of Godfather's Pizza, Inc. and Michael D. Ellwein, Legal Counsel to the corporation. Present by conference telephone were Herman Cain, President and Director of Godfather's Pizza, Inc., and Gary R. Batenhorst, Assistant Secretary.
- Question 6: N/A
- Question 7a: None
- Question 7b: N/A
- Question 8: None
- Question 9. (a) The stock described in the schedule attached as Exhibit "A" has been pledged.
- (b) All stock described above was pledged to Citicorp North America, Inc., 2600 Michelson Drive, 12th Floor, Irvine, California 92715.

GRB/JAS:810054

## STATE OF MINNESOTA

APPLICANTS NAME: GODFATHER'S PIZZA, INC.

STOCKHOLDERS

<u>NAME</u>	<u>HOME ADDRESS</u>	<u>CERTIFICATE NUMBER</u>	<u>DATE ISSUED</u>	<u>NUMBER OF SHARES</u>	<u>CANCELLATION DATE</u>
Herman Cain	13511 Seward Omaha, NE 68154	3	09/16/88	100	N/A
Ronald B. Gartlan	12605 Farnam Street Omaha, NE 68154	4	09/16/88	100	N/A
Herman Cain	13511 Seward Omaha, NE 68154	5	09/16/88	100,900	N/A
Ronald B. Gartlan	12605 Farnam Street Omaha, NE 68154	6	09/16/88	84,100	N/A
Charles E. Henderson	15738 Howard Street Omaha, NE 68118	7	09/16/88	4,200	N/A
Gary R. Batenhorst	15424 Hamilton Street Omaha, NE 68154	8	09/16/88	4,200	N/A
William C. Methven, Jr.	16106 S. 56th Street Papillion, NE 68133	9	09/16/88	2,100	N/A
Spencer Wiggins	666 N. 148th Street Omaha, NE 68154	10	09/16/88	2,100	N/A
Michael J. Clifford	16511 Frederick Circle Omaha, NE 68130	11	09/16/88	200	N/A
Dennis C. Grocholski	3027 S. 163rd Street Omaha, NE 68130	12	09/16/88	200	N/A
Jimmie L. Lewis	8408 S. 143rd Street Omaha, NE 68138	13	09/16/88	200	N/A

STOCKHOLDERS (continued)

<u>NAME</u>	<u>HOME ADDRESS</u>	<u>CERTIFICATE NUMBER</u>	<u>DATE ISSUED</u>	<u>NUMBER OF SHARES</u>	<u>CANCELLATION DATE</u>
Lawrence W. Uhl	1115 S. 35th Avenue Omaha, NE 68105	14	09/16/88	200	N/A
Don Zebrak	4526 S. 150th Street Omaha, NE 68137	15	09/16/88	200	N/A
Steven W. Harper	1409 S. 167th Street Omaha, NE 68130	16	09/16/88	200	N/A
Don P. McNutt	16642 N. E. 48th Street Redmond, WA 98052	17	09/16/88	200	N/A
Steve Runge	26525 S. E. 224th Maple Valley, WA 98038	18	09/16/88	200	N/A
David A. Harper	1729 Sleep Hollow Drive Olathe, KS 66062	19	09/16/88	200	N/A
Paul C Lindemann	1000 April Place Burnsville, MN 55337	20	09/16/88	200	N/A
Bruce N. Cannon	4221 - 172nd Avenue, N. E. Redmond, WA 98052	21	09/16/88	200	N/A





4141 Douglas Drive North • Crystal, MN 55422-1696 • 537-8421

ADMINISTRATIVE OFFICE

November 17, 1988

Pamela S. Fox  
Development Coordinator  
Godfather's Pizza, Inc.  
9140 West Dodge Road  
Omaha, Nebraska 68114

Re: Alcoholic Beverage License  
Godfather's Pizza #24513  
99 Willow Bend  
Crystal, MN 55428

Dear Ms. Fox:

I must first apologize for the delay in responding to your October 21, 1988 letter regarding the above referenced liquor license. The election process in our City put us a bit behind.

In talking to our City Attorney regarding the sale of Godfather's Pizza, Inc. by The Pillsbury Company, he advised that this transaction should be treated as a license renewal. Therefore, I am sending the necessary forms. The period of the license should be from the date the sale was final through June 30, 1989, pro-rated at the rate of \$43.55 per month. Another renewal will be required for the new license year which will run from July 1, 1989 through June 30, 1990.

Upon receipt of the necessary completed forms and license fee, your license will be put on our City Council agenda for its approval.

Sincerely,

Darlene George,  
City Clerk

cc: City Attorney  
cc: City Manager



December 1, 1988

Darlene George, City Clerk  
City of Crystal  
4141 Douglas Drive North  
Crystal, MN 55422-1696

SUBJECT: SALE OF GODFATHER'S PIZZA, INC. BY  
THE PILLSBURY COMPANY

LOCATION: Godfather's Pizza #24513  
99 Willow Bend  
Crystal, MN 55428

Dear Ms. George:

Enclosed please find the following documents submitted in conjunction with the sale of Godfather's Pizza, Inc. by The Pillsbury Company. Your letter of November 17, 1988 indicated that this would be treated as a license renewal and that the fee would be prorated at \$43.55 per month:

- 1) Check in the amount of \$435.50 (10 months, sept. - June 1989, X \$43.55)
- 2) Application for license
- 3) Restated Certificate of Incorporation

The City currently has a certificate of Liquor Liability on file for Godfather's Pizza, Inc.

If you have any questions or need further information, please don't hesitate to contact me at (800) 456-8347, extension 412.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pamela S. Fox".

Pamela S. Fox  
Development Coordinator

PF/s  
Enclosures

cc: Gary Batenhorst

/LIQ/24513.ATT

**Godfather's Pizza, Inc.**

9140 West Dodge Road Omaha, Nebraska 68114 402 • 391 • 1452

State of Delaware



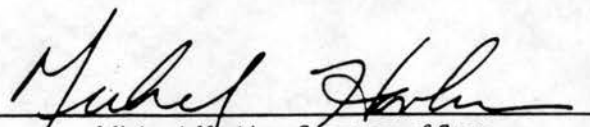
## Office of Secretary of State

I, MICHAEL HARKINS, SECRETARY OF STATE OF THE STATE OF  
DELAWARE DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT  
COPY OF THE CERTIFICATE OF RESTATED CERTIFICATE OF INCORPORATION  
OF GODFATHER'S PIZZA, INC. FILED IN THIS OFFICE ON THE ELEVENTH  
DAY OF OCTOBER, A.D. 1988, AT 11 O'CLOCK A.M.

| | | | | | | | |



738286035

  
Michael Harkins, Secretary of State  
11887615

AUTHENTICATION:

DATE: 10/12/1988

RESTATED CERTIFICATE OF INCORPORATION  
OF  
GODFATHER'S PIZZA, INC.

The present name of the corporation is Godfather's Pizza, Inc. The name under which the corporation was originally incorporated is TPC Number Two, Inc. The original certificate of incorporation of the corporation was filed with the Delaware Secretary of State on June 26, 1985.

This Restated Certificate of Incorporation was duly adopted in accordance with the provisions of Section 245 of the General Corporation Law of Delaware. This Restated Certificate of Incorporation only restates and integrates and does not further amend the provisions of the corporation's certificate of incorporation as heretofore amended or supplemented, and there is no discrepancy between those provisions and the provisions of this restated certificate.

Article I

The name of the corporation is Godfather's Pizza, Inc.

Article II

The address of the corporation's registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

Article III

The name of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

Article IV

The total number of shares of stock which the corporation shall have authority to issue is one million (1,000,000) shares of Common Stock, with a par value of \_\_\_\_\_ per share.

Article V

No person who is or was at any time a director of the corporation shall have any personal liability to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director; provided, however, that, unless and except to the extent otherwise permitted from time to time by applicable law, the provisions of this Article V shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its



stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of Delaware, or (iv) for any transaction from which the director derived an improper personal benefit. If the General Corporation Law of Delaware hereafter is amended to authorize further limitations on or eliminations of the personal liability of directors of a corporation incorporated under the General Corporation Law of Delaware, then the liability of each director of the corporation shall be limited or eliminated to the fullest extent permitted by the General Corporation Law of Delaware as so amended from time to time.

#### Article VI

The corporation shall have perpetual existence.

#### Article VII

In furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the corporation is expressly authorized to make, alter, or repeal the bylaws of the corporation.

#### Article VIII

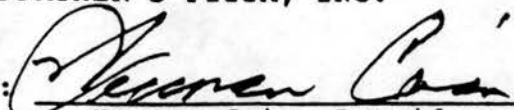
Meetings of stockholders of the corporation may be held within or without the State of Delaware, as the bylaws of the corporation may provide. The books of the corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the bylaws of the corporation. Election of directors need not be written ballot unless the bylaws of the corporation so provide.

#### Article IX

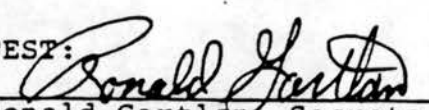
The corporation reserves the right to alter, amend, change, or repeal any provision contained in this Restated Certificate of Incorporation in the manner now or hereafter prescribed herein and by the laws of the State of Delaware, and all rights conferred upon stockholders of the corporation herein are granted subject to this reservation.

IN WITNESS WHEREOF, the undersigned corporation has executed this Restated Certificate of Incorporation this 22nd day of September, 1988.

GODFATHER'S PIZZA, INC.

By:   
Herman Cain, President

ATTEST:

  
Ronald Gartlan, Secretary

# **NOTICE OF METROPOLITAN COUNCIL PUBLIC MEETINGS**

## **HENNEPIN COUNTY RESOURCE RECOVERY PROJECT TRANSFER STATIONS DRAFT SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENT**

The Metropolitan Council's Environmental Resources Committee will hold public meetings to receive comments regarding the draft Supplemental Environmental Impact Statement (SEIS) for proposed changes in Hennepin County's planned solid waste transfer station network. You are encouraged to participate in these meetings and provide your input.

The project as proposed in 1985 consisted of a municipal solid waste mass-burn resource-recovery facility and four transfer stations. The SEIS was initiated on March 24, 1988, by the Metropolitan Council's approval of a scoping-decision document to direct the study of proposed new transfer station sites in Minneapolis and Plymouth. A change in Brooklyn Park sites has since been proposed by Hennepin County and the scoping decision was amended to require that this site be studied in the same way as the others.

The stations will be designed to transfer between 300 and 700 tons of solid waste per day from packer trucks to enclosed trailer trucks. The trailer trucks will haul the solid waste primarily to resource-recovery facilities. Citizen drop-off capabilities will be provided for yard waste, recyclables and household hazardous wastes. A municipal recycling unit for city and contract hauler recyclable material collections will also be included.

The public meetings provide an opportunity for public comment on the draft SEIS. The SEIS evaluates the identified environmental, economic and sociological implications that may be associated with the development of each site.

After the public meeting, a response to comments and final SEIS will be prepared. This report will be considered by the Council's Metropolitan Waste Management Advisory Committee and its Environmental Resources Committee prior to Council action determining the adequacy of the SEIS.

### **PUBLIC MEETING INFORMATION**

When 1. Tuesday, Jan. 3, 7 p.m. (Minneapolis South site)

and

Where:

Stewart Park Multipurpose Meeting Room  
2700 12th Av. S.  
Minneapolis, MN

(A. Going west on I-94, take Cedar exit, go south on Cedar to 24th St.; take right on 24th St. to 12th Av.; take left on 12th Av., go for three blocks; park will be on right-hand side.

B. Going east on I-94, take Hiawatha exit, go on Hiawatha to the first stoplight, or 24th; take right on 24th and follow the directions above.)

When  
and  
Where:

2. Thursday, Jan. 5, 7 p.m. (Brooklyn Park and Plymouth sites)

Cooper Senior High School Auditorium  
4230 47th Av. N.

New Hope, MN

(Take County Rd. 18 north to Rockford Rd., also known as County Rd. 9 or 42nd Av.; go east to Boone Av.; take left on Boone Av. to 47th Av.; go north on 47th Av. for about 5 blocks; you will see the school buildings.)

Who Will  
Be Notified:

Local officials, residents adjacent to the proposed sites, and businesses.

How To

Participate:

1. You may attend the meeting and offer oral or written comments. To register in advance to speak, call Jane Larson at 291-6500.

2. You may send a letter, by Jan. 19, 1989, with comments to:

Wayne Nelson  
Metropolitan Council  
Mears Park Centre  
230 E. Fifth St.  
St. Paul, MN 55101

Questions:

Call the Council's Solid Waste Division and speak to Wayne Nelson (291-6406). To receive a copy of the executive summary of the Supplemental EIS, call the Council's Data Center at 291-8140.



# OVERVIEW

## **HENNEPIN COUNTY RESOURCE RECOVERY PROJECT TRANSFER STATIONS DRAFT SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENT**

### **SUMMARY**

- o The original EIS addressed the mass-burn incinerator under construction in Minneapolis and four transfer stations. It was determined adequate by the Metropolitan Council in July 1986. Nine alternative transfer station sites were studied.
- o The Metropolitan Council determined in 1987 that a supplemental environmental impact statement (SEIS) was necessary to study proposed changes in the transfer station network. The changes included substitution of a site in Plymouth for the original Hopkins location, development of an adjacent and larger south Minneapolis site, and development of an alternative site in Brooklyn Park.
- o The SEIS basically addresses the topics for transfer station sites considered in the original EIS. The air quality and odor analysis in the original EIS is applicable to the new proposed sites and alternatives, and was not repeated. Two additional alternative locations were included.

In addition, the study addresses waste system changes since the original study, hazardous waste management, and mitigation measures.

### **SCHEDULE FOR COMPLETION OF THE SEIS SCOPING PROCESS**

- o Comment period on the draft SEIS - Dec. 1, 1988 through Jan. 19, 1989.
- o Public meetings in Minneapolis on Jan. 3 and New Hope on Jan. 5 for comment on the draft SEIS.
- o Metropolitan Waste Management Advisory Committee reviews response to comments and final SEIS - January 1989.
- o Environmental Resources Committee reviews response to comments and final SEIS - February 1989.
- o Metropolitan Council determines adequacy of final SEIS - March 1989.
- o Metropolitan Council reviews facility permit applications - March 1989.





*Darlen*

1

DUE DATE: NOON, TUESDAY, NOVEMBER 22, 1988

MEMO TO: Jerry Dulgar, City Manager

MEMO FROM: John Olson, Assistant City Manager

ACTION NEEDED MEMO: From the November 15, 1988 Council Meeting

The items listed below are the actions requested by the City Council at their regular Council meeting of November 15, 1988. These items should be taken care of by noon, **Tuesday**, preceding the next regularly scheduled Council meeting and returned to the Assistant City Manager for his review.

DEPARTMENT      ITEM

CONSENT AGENDA

PUBLIC WORKS  
DIRECTOR

1. Public hearing to consider preliminary plat approval of Chalet Acres located at 3359 Vera Cruz Avenue North.  
ACTION NEEDED: Notify affected property owners.  
ACTION TAKEN: Notices to be mailed 11-29-88.

ADMINISTRATIVE  
SECRETARY

ACTION NEEDED: Place item on December 13 Council agenda.  
ACTION TAKEN: Item to be placed on December 13 Council agenda.

BUILDING  
INSPECTOR

2. Public hearing to consider a request for a variance at 3316 Louisiana Avenue N.  
ACTION NEEDED: Notify affected property owners.  
ACTION TAKEN: Property owners notified.

ADMINISTRATIVE  
SECRETARY

ACTION NEEDED: Place item on November 29 Council agenda.  
ACTION TAKEN: Item placed on November 29 Council agenda.

CITY CLERK

3. Consideration of an application for an off-sale liquor license at 5600 Bass Lake Road.  
ACTION NEEDED: Notify affected property owners.  
ACTION TAKEN: Notices sent 11-17-88.

ADMINISTRATIVE  
SECRETARY

ACTION NEEDED: Place item on December 13 Council agenda.  
ACTION TAKEN: Item placed on December 13 Council agenda.

#### PUBLIC HEARINGS

ADMINISTRATIVE  
SECRETARY

1. Consideration of Second Reading of Ordinance amending Crystal City Charter.  
ACTION NEEDED: Place Second Reading on November 29 Council agenda. Council cannot adopt unless there is an unanimous vote of entire Council.  
ACTION TAKEN: Item placed on November 29 Council agenda.

#### REGULAR AGENDA

CITY CLERK

1. Consideration of an application for an off-sale liquor license at 5924 West Broadway.  
ACTION NEEDED: Proceed with necessary paperwork to change license effective 12:01 a.m., November 16 for Richard Marsolais.  
ACTION TAKEN: Necessary papers hand carried to Liquor Control and license received by applicant on 11-16-88.

CITY CLERK

2. Consideration of a request from Debora Damborg to allow liquor at the Becker Park Shelter for a Christmas party.  
ACTION NEEDED: Notify applicant of Council approval.  
ACTION TAKEN: Applicant present at meeting; advised Park & Rec. Dept. of use of the facility.

## CITY CLERK

ACTION NEEDED: Place Ordinance regarding Liquor In Parks on the November 29 Council agenda for First Reading.

ACTION TAKEN: Ordinance placed on 11-29-88 Council Agenda for First Reading.

FINANCE  
DIRECTOR

3. Consideration of resolution providing sewer discount rate for renters.  
ACTION NEEDED: Proceed to institute program as indicated by resolution.  
ACTION TAKEN: Program to be into place by 1-1-89 for new rate schedule.

PUBLIC WORKS  
DIRECTOR

4. Consideration of a resolution removing Medicine Lake road from Crystal's State Aid System.  
ACTION NEEDED: Notify the State and Hennepin County of Council action.  
ACTION TAKEN: Letters mailed 11-16-88.

PUBLIC WORKS  
DIRECTOR

5. Consideration of accepting site improvements at 5337 Lakeland Avenue North.  
ACTION NEEDED: Notify applicant of Council release of surety.  
ACTION TAKEN: Letters mailed 11-16-88.
6. Consideration of a letter from the Attorney General regarding charitable gambling contributions.  
ACTION NEEDED: No action needed at this time.

## CITY ATTORNEY

7. Consideration of adopting a pawn shop license ordinance.  
ACTION NEEDED: Prepare ordinance along the lines of discussion of City Council for the next Council meeting.  
ACTION TAKEN: In preparation.

ASSISTANT CITY  
MANAGER

8. Consideration of a resolution regarding Affirmative Action in Employment.  
ACTION NEEDED: Include resolution in Affirmative Action Policy to be presented to the Council at the next meeting.  
ACTION TAKEN: Item placed on 11-29-88 Council agenda.

REDEVELOPMENT  
COORDINATOR

9. Consideration of an application for the Celebrate Minnesota Grant Program.  
ACTION NEEDED: Council authorized application; proceed as required.  
ACTION TAKEN: Sent membership form in 11-16-88.

## POLICE CHIEF

10. Consideration of the position of Police Chief as Director and City Manager as Alternate in the Minnesota Police Recruitment System.  
ACTION NEEDED: Notify Police Recruitment System of the change in the names of the persons to represent the City.  
ACTION TAKEN: Minnesota Police Recruitment System notified by letter on 11-16-88 of Council action.



FINANCE  
DIRECTOR

11. Consideration of increasing insurance contribution for non-unorganized City employees.  
ACTION NEEDED: Council approved increase of insurance contribution to \$185 per month for 1988, effective January 1, 1988 and to go to \$195 in 1989.  
ACTION TAKEN: Adjustment to be made to 1988 insurance deduction; 1989 to be at new rate.

CITY MANAGER

12. Consideration of a contract with Anderson-Dale Architects for plans for the new Community Center.  
ACTION NEEDED: Item continued until the next meeting for Attorney review; notify architect.  
ACTION TAKEN: Architect notified on 11-16-88.

ADMINISTRATIVE  
SECRETARY

- ACTION NEEDED: Place item on the November 29 Council meeting.  
ACTION TAKEN: Item placed on November 29 Council agenda.

CITY CLERK

13. Consideration of the charitable gambling license application from the Church of All Saints.  
ACTION NEEDED: Notify applicant of Council approval.  
ACTION TAKEN: Applicant notified 11-16-88.

CITY CLERK

14. Licenses.  
ACTION NEEDED: Issue licenses.  
ACTION TAKEN: Licenses issued.

December 8, 1988

TO: City of Crystal Councilmembers  
FROM: Darlene George, City Clerk *dg*

At a previous Council meeting the Council asked for a report on contribution reports and the 3% tax levied to charitable gambling organizations for payment to the City of Crystal.

Attached is my memo to the City Manager dated December 2, 1988. Letters went out to all charitable gambling organizations licensed to operate in the City of Crystal setting a December 30 deadline for reporting and paying the 3% tax, and advising them that if the request is not complied with by that date the information will be submitted to the City Attorney to initiate appropriate action to collect the tax or any deficiency not paid when due.

If you have any questions or comments feel free to give me a call or contact Jerry. I am giving you this information in his absence.

cc: Jerry Dulgar, City Manager

December 2, 1988

TO: Jerry Dulgar, City Manager  
FROM: Darlene George, City Clerk *D.G.*  
RE: Charitable Gambling Licenses

Since December 1 is the date set by our ordinance for contributions to the City by the charitable gambling organizations for use in lawful purposes, and the end of the year is at hand, listed below are the organizations and their status with regard to filing reports with us and paying the 3% tax imposed for the City's administrative costs in the regulation of lawful gambling in the City.

Minnesota Therapeutic Camp at:

Doyle's Lanes - No reports, no tax paid  
Palace Inn - No reports; no tax paid  
Rostamo's - No reports; no tax paid

Church of All Saints at the Paddock - Monthly reports received;  
no tax paid

Cystic Fibrosis at Nicklow's - Monthly reports received; monthly  
checks received for the 3% tax

Celebrity Bowl at Doyle's - No reports; no tax paid

Elk's Lodge #44 - No reports; no tax paid

Crystal Lions Club - No reports; no tax paid

Knights of Columbus #3656 - Monthly reports received; no tax  
paid

Please advise what you wish the next step to be. It would be my suggestion to write a letter to each one giving them a time limit for reporting (December 30?) and advising them of the consequences imposed if they do not comply with that request. You may want to make the Council aware of the above report as they wanted a report by the December 13, 1988 meeting. We can have Miles calculate the reports we have received which are only from three organizations to date.

P.S.

VFW Post 494 - No reports; no tax paid (Bingo)

CRYSTAL PARK AND RECREATION ADVISORY COMMISSION

Minutes

November 9, 1988

The regular meeting of the Crystal Park and Recreation Advisory Commission was called to order at 7:10 p.m. by Chairperson Mark Hoffmann. Members present were: Ms. Moucha, Mr. Grimes, Ms. Reid, Ms. Pitts, Mr. Genis and Mr. Carlson. 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.

Mr. Grimes and Mr. Carlson were congratulated on their election victories.

Mr. Brandeen reviewed the study initiated by the City of Brooklyn Center regarding Twin Lake-Kylawn Preserve. The plan involves a trail system around the lakes that would connect Crystal, Robbinsdale and Brooklyn Center. The project also includes connecting trails to the MAC Park trail system. The City of Crystal would be responsible for the trail corridor within its boundaries - this may mean additional property may have to be purchased. Mr. Brandeen added that LAWCON and/or LCMR funding might be obtained for some of the project because the land within the project site would be considered wetlands.

The commission questioned what Brooklyn Center is willing to commit to as far as funding and land acquisition. Other concerns related to trail corridors on existing roadway (Bass Lake Road) and the impact of any future Crystal development in MAC Park (Interpretive Center).

Moved by Mr. Genis and seconded by Mr. Grimes to recommend endorsement of the concept of the Twin Lake project and to continue discussion regarding further development of the area.  
Motion carried-Unanimous.

Mr. Hoffmann suggested that a joint (Crystal, Robbinsdale and Brooklyn Center) committee could be established to study the project further.

The commission expressed excitement that the Community Center referendum passed. The commission thanked Mr. Hoffmann, Ms. Reid, Mr. Olson and Mr. Brandeen for their hard work. A meeting with the architect has been scheduled for November 16.



Mr. Hoffmann reviewed the City of Crystal Long Range Planning Commission meeting. The 5-Year Plans Submitted by the Department heads will be reviewed in December or January. Light Rail Transit will be discussed in November.

The MRPA Conference was reviewed. Commission members attending felt the sessions and exhibit hall were good. Mr. Grimes will resign as Chairperson of the MRPA Board & Commission Section. He asked Crystal commission members to consider replacing him.

The commission reviewed the Arts Program Evaluation.

The commission reviewed the 1989 Budget Highlights.

The commission will discuss the Department's 5-Year Plan and reprioritize items at the December meeting.

The commission discussed the following concerns:

1. Dead trees at Becker Park: Mr. Brandeen reported that the city is working with the contractor to replace these.
2. Yunker Park pond: The Engineering Department does not have the funds to start this project this year.
3. Memory Lane dredging: The pond will be dredged to a 5-6 foot depth. Mr. Carlson asked about a trail around the pond. Mr. Brandeen replied that he has contacted the Engineering Department about such a trail and the contractor will be contacted to see if this is possible.
4. Bassett Creek pond: The dredging project is in the 1989 budget.

Ms. Hackett reviewed the plans for the Winterfest celebration to be held in December at Becker park. These plans will be finalized for the December meeting.

Commission elections will take place in December.

Mr. Hoffmann emphasized that commission meeting attendance is important. Commissioners are allowed only 3 unexcused absences for the year.

Mr. Grimes and Mr. Carlson will submit letters of resignation to the City Clerk.

The meeting was adjourned at 8:40 p.m.

Respectfully submitted,

Gene Hackett, Recorder

Crystal Park & Recreation Department  
Monthly Report  
November 1988

\*All numbers are individual registrations unless noted.

ON GOING PROGRAMS: November start

1. Senior Center Activities  
-Senior Center Membership: 600. Daily attendance is 50-60.
2. Walk Program (Adults/Weekday evening)  
-76 registered (1987: 67)/Meets weekly at Sandburg Middle School.
3. Youth Basketball (Youth/Weekday evenings, Saturday afternoons)  
-95 registered (1987: 101)/Squirts: 4 teams (4), PeeWees: 4 teams (4), Jr. Boys: 1 teams (1)/Leagues combined with Golden Valley and Robbinsdale.

ON GOING PROGRAMS:

1. Senior Center Activities  
-Welcome - 4  
-Cribbage - 28 to 44  
-OTLB - 45 attended trip to Timberline in Anoka  
-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 - Brunch Bunch - 32
2. Adult Activities  
-Adult Volleyball Leagues: Men, Women, and Co-Rec.  
-Open Gyms - Volleyball  
-Open Gym - Basketball  
-Painting Class  
-Over 50 and Fit
3. Youth Activities  
-Gymnastics  
-Dance
4. Other Activities (\*Co-sponsored with other agencies)  
\*TMH-EMH

PROGRAMS COMPLETED:

4 Man Football League      1988: 7 teams  
                                 1987: 7 teams

**Objective:**      To provide an organized, low-key competition  
                                 football league for adults.  
**Successes:**      Objective met. Program well received.  
                                 Teams enjoyed the league format.  
**Problems:**      None encountered.  
**Recommendations:**      Start season earlier.

TO: Jerry Dulgar, City Manager  
FROM: Bill Monk, City Engineer  
DATE: December 12, 1988  
RE: Status of Site Improvement Agreements


As we discussed, the following list is an update of my memorandum of September 10, 1987, (attached) regarding the status of outstanding site improvement agreements. Agreements approved in 1987 and 1988 have been added to complete the listing:

- 1) Winnetka Industrial Center at 3300 Winpark Drive  
Improvements complete and surety released.
- 2) Mr. Donut (Anthony Center) at 5303 - 36th Avenue  
Owner still reviewing redevelopment options - no change in status.
- 3) Bassett Creek Townhouses at 3504-18 Douglas Drive  
Improvements complete with finalization in progress.
- 4) Aamco Transmission at 5231 West Broadway  
Some work completed in rear yard area but no change in status.
- 5) Frank's Furniture at 5419 Lakeland Avenue  
Improvements complete and surety released.
- 6) Crystal Gallery at 5510 West Broadway  
Median work still incomplete, no change in status.
- 7) Cedarwood Court Apartments at 5450 Douglas Drive  
Improvement complete and surety released.
- 8) Skipper's Restaurant at 6230 - 56th Avenue  
Improvements incomplete, no change in status.
- 9) Octopus Car Wash at 5301 Douglas Drive  
Plat complete with final work in progress.
- 10) Mt. Olivet Baptist Church at 3420 Nevada Avenue  
Final improvements in progress.
- 11) Rolling Green at 53rd & Quail Avenues  
Improvements complete and surety released.
- 12) Crystal Green at 54th Avenue & Vera Cruz  
Improvements complete and surety released.



Status of Site Improvement Agreements  
December 12, 1988  
Page 2

- 13) Schweitzer 2nd Addition at 3245 Vera Cruz  
Improvements complete and surety released.
- 14) Brutger Elderly Complex at 55th Ave. & Douglas Drive  
Improvements complete and finalization in progress.
- 15) Martin Insurance at 6308 - 34th Avenue  
Improvements near completion.
- 16) Rapid Oil at 5602 Lakeland Avenue  
Improvements complete and finalization in progress.
- 17) Chalet Ski and Patio at 3359 Vera Cruz  
Improvements near completion.
- 18) Standard Water Control at 5333 Lakeland Avenue  
Improvements complete and surety released.
- 19) Beaver Machine at 5241 Hanson Court  
Work just starting.
- 20) Kevitt Grading Permit at 32nd & Florida Ave.  
Work near completion.

  
WM:jrs

Encl

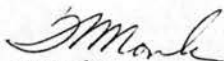
TO: John A. Olson, Acting City Manager  
FROM: Bill Monk, City Engineer  
DATE: September 10, 1987  
RE: Uncompleted Site Improvements

As requested at a previous Council meeting, the following list has been compiled of properties where approved site improvements remain incomplete. Agreements approved in 1987 are not included as construction on those properties is still in progress. It should be noted that staff is in contact with the owners of the property listed below and expects to complete many of these agreements within the near future:

- 1) Winnetka Industrial Center at 3300 Winpark Drive  
Agreement Date - November 20, 1979  
Financial Surety - \$132,000 Performance Bond  
Improvements Remaining - Landscaping adjacent to retaining walls.
- 2) Mr. Donut (Anthony Center) at 5303 - 36th Avenue  
Agreement Date - July 1, 1980  
Financial Surety - \$30,000 Performance Bond  
Improvements Remaining - As per recent letter to Nicklow's, concrete curb, signage, and landscaping are major items.
- 3) Bassett Creek Townhouses at 3504-18 Douglas Drive  
Agreement Date - January 17, 1984  
Financial Surety - \$6,000 Letter of Credit  
Improvements Remaining - Final bituminous wear course on entrance drive and parking area.
- 4) Aamco Transmission at 5231 West Broadway  
Agreement Date - December 28, 1984  
Financial Surety - \$20,000 Performance Bond  
Improvements Remaining - Relocation of storage trailers and landscaping rear yard area.
- 5) Frank's Furniture at 5419 Lakeland Avenue  
Agreement Date - March 29, 1985  
Financial Surety - \$6,000 Performance Bond  
Improvements Remaining - Curb along Lakeland Ave.
- 6) Crystal Gallery at 5510 West Broadway  
Agreement Date - April 16, 1985  
Financial Surety - \$150,000 Letter of Credit  
Improvements Remaining - Concrete median work in West Broadway.

Re: Uncompleted Site Improvements  
September 10, 1987  
Page 2

- 7) Cedarwood Court Apartments at 5450 Douglas Drive  
Agreement Date - August 20, 1985  
Financial Surety - \$3,000 Cash Escrow  
Improvements Remaining - Clean out water main gate valve.
- 8) Skipper's Restaurant at 6230 - 56th Avenue  
Agreement Date - October 15, 1985  
Financial Surety - \$42,000 Performance Bond  
Improvements Remaining - Lower catch basin, concrete curb and landscaping.
- 9) Octopus Car Wash at 5301 Douglas Drive  
Agreement Date - June 17, 1986  
Financial Surety - \$15,000 Letter of Credit  
Improvements Remaining - Water service removal and plat of property.
- 10) Mt. Olivet Baptist Church at 3420 Nevada Avenue  
Agreement Date - October 15, 1985  
Financial Surety - \$3,000 Securities  
Improvements Remaining - Striping, signage and landscaping.
- 11) Rolling Green at 53rd & Quail Avenues  
Agreement Date - November 1, 1983  
Financial Surety - \$500 Letter of Credit  
Improvements Remaining - Boulevard landscaping.
- 12) Crystal Green at 54th Avenue & Vera Cruz  
Agreement Date - January 2, 1985  
Financial Surety - \$500 Letter of Credit  
Improvements Remaining - Boulevard landscaping.
- 13) Schweitzer 2nd Addition at 3245 Vera Cruz  
Agreement Date - June 17, 1986  
Financial Surety - \$9,500 Performance Bond  
Improvements Remaining - Landscaping.

  
WM:jrs

Encl



# CITY OF CRYSTAL

SCALE  
1000' 0 1000' 2000'

N

