The City of Howard Lake strives to build upon its good neighbor traditions –
A welcoming community for all, supported by vibrant and engaged businesses and community organizations, involved citizens, and diverse amenities that provide a well-rounded quality of life.

TENTATIVE AGENDA
AUGUST 18, 2020 – 7:00 pm

A. CALL TO ORDER
B. PLEDGE OF ALLEGIANCE
C. APPROVAL OF AGENDA
   Any additions, deletions, modifications to the agenda will be done at this time.
D. CONSIDER APPROVAL OF MINUTES
   a. Minutes for Council Meeting July 21, 2020
E. CITIZEN INPUT
F. COUNCIL/COMMITTEE REPORT
G. DEPARTMENT REPORTS
   a. Howard Lake Wine & Spirits Financials
H. CONSENT AGENDA
   a. Consider Accepting all Reports & Payment of Claims.
   b. Consider Approving Various Personnel Appointments.
I. PRESENTATIONS, PUBLIC HEARINGS & RELATED APPROVALS
   a. Consider Setting 2020 Truth in Taxation Public Hearing to December 8, 2020 6:30pm
J. NEW BUSINESS
   a. Consider Resolution Directing Staff to Abate Various Property Nuisances.
   b. Consider Approving Wage Increase for Election Judges.
   c. Consider Approving Fall Clean Up Dates & Fees.
   d. Consider Approving Lift Station Repairs.
   e. Consider Approving Quote to Paint Exterior of City Hall.
   f. Consider Approving Quote to Replace Roof Top Unit at City Hall.
   g. Consider Approving Purchase Agreement for the Villas Development.
K. OLD BUSINESS
L. ADMINISTRATOR'S REPORT
M. ADJOURN

CITY OF HOWARD LAKE

625 8TH Avenue - PO Box 736 - Howard Lake, MN 55349
Phone: 320-543-3670 | cityadmin@howard-lake.mn.us | www.howard-lake.mn.us

HOWARD LAKE CITY COUNCIL
HOWARD LAKE CITY HALL- 625 8th AVENUE
July 21, 2020

MEETING MINUTES

COUNCIL PRESENT
Mayor Zimmerman
Jason Deiter
Tom Kutz
Allan Munson
Gene Gilbert

COUNCIL ABSENT

STAFF PRESENT
Nick Haggenmiller, City Administrator
Meagan Theisen, Assistant City Administrator
Myra Laway, Liquor Store Manager
Jason Swanson, Liquor Store Consultant

ALSO PRESENT
Herald Journal

A. CALL TO ORDER
Mayor Zimmerman called the meeting to order at 7:00 p.m.

B. PLEDGE OF ALLEGIANCE
All present recited the Pledge of Allegiance.

C. APPROVAL OF AGENDA
Haggenmiller stated that the Audit Presentation would be removed from the agenda.

Kutz moved to approve the agenda. Munson seconded the motion and it passed unanimously.

D. APPROVAL OF MINUTES
Kutz move to approve the June 16, 2020 Council Minutes, the June 16, 2020 Work Session Minutes, and the June 30, 2020 Special Council Meeting. Deiter seconded the motion and it passed unanimously.

E. CITIZEN INPUT
None.

F. COUNCIL/COMMITTEE REPORT
No Council reports.

G. DEPARTMENT REPORTS

No Department reports.

H. CONSENT AGENDA

a. Consider Accepting All Reports and Payment of Claims

GENERAL FUND	56484-56638	$921,319.09
PAYROLL	26612-26646, 500882-500948	$69,523.39
ELECTRONIC	714-753	$60,903.83
TOTAL		**$1,051,746.31**

AMBULANCE CLAIMS	5660-5666	$5,180.73
ELECTRONIC	006-008	$69.00
TOTAL		**$5,249.73**

b. Consider Approving City Administrator to Wright County EDA Committee.

c. Consider Resolution 20-08 Certifying Delinquent Utility Fees and Charges to Property Taxes.

d. Consider MOU for CARES Act Funding for the 2020 Election.

Gilbert motioned to approve the consent agenda. The motion was seconded by Kutz and passed unanimously.

I. PRESENTATIONS

~~a. FY2019 Audit Presentation Roger Schanus/Carlson SV~~

Removed from agenda.

b. Howard Lake Wine and Spirits Presentation

Laway and Swanson presented current Liquor Store sales and total sales year to date. Swanson provided further clarification on buying strategies and shared sales information for each hour of the day.

J. NEW BUSINESS

a. Consider Modifying Ordinance 12.02 – No Parking North Imhoff Avenue – Ordinance 20-03

Haggenmiller presented the staff report and stated that the reason for this Ordinance is to help maintain and improve the grassy area between the road and the sidewalk and include other various ordinance clean up.

Deiter motioned to approve Ordinance 20-03. The Motion was seconded by Gilbert and passed unanimously.

b. Consider Approval of Resolution 20-09 – Authorizing Summary Publication of Ordinance NO. 20-03 Regarding Parking Regulations

Gilbert motioned to approve Resolution 20-09. The Motion was seconded by Kutz and passed unanimously.

c. Consider Approving 2020 Crack Seal & Seal Coat Project

Theisen presented the staff report for the Council, stating that the staff recommendation was to crack seal Commerce Blvd, Shoreline Drive, Dura Drive and 1st Street E and Chip Seal Commerce Blvd, Dura Drive and 1st Street E for a total project cost of $31,992.

Haggenmiller provided further information about past road projects and budgeted funds.

Kutz motioned to approve the 2020 Crack Sealing and Chip Seal Project as recommended by staff. Gilbert seconded the motion and passed unanimously.

d. Consider Approving SIU Modification with Sonstegard Foods

Haggenmiller presented the staff report and provided further information if Sonstegard's does not come into compliance and follow the SIU.

Deiter motioned to approve the SIU Modification with Sonstegard Foods. Munson seconded the motion and passed unanimously.

e. Consider Approving SIU Modification with Forsman Farms

Haggenmiller presented the staff report and highlighted the terms of the SIU.

Gilbert motioned to approve the SIU between Forsman Farms, the City of Howard Lake and the AMLHL Wastewater Commission. Kutz seconded the motion and passed unanimously.

f. Lions Park Project Finishing's

Theisen presented the staff report, stating that the City would like to install electric hand dryers, an outdoor beach shower and purchase a weed cutter to cut lake weeds.

Deiter motioned to approve purchases related to Lions and Memorial Park as requested by staff. Gilbert seconded the motion and passed unanimously.

g. Consider Creating Adhoc Advisory Emergency Services Committee & Appointing Members

Haggenmiller presented the staff report, highlighting that the task of this committee is to update the Fire Departments Bylaws. The committee will meet the first Tuesday of each month through December, the Bylaws are to be adopted at the December Council Meeting and go into effect January 1, 2021.

Kutz motioned to approve the creation of an Adhoc Emergency Services Committee with the appointments as presented by staff. Munson seconded the motion and passed unanimously.

h. Internal Controls Related Purchases and Procedures

Theisen presented the purchase of 7 Verizon GPS units and 2 Arlo portable cameras to assist with internal controls related to the Public Works department. The GPS units would be used on various Public Works vehicles and the portable camera would be able to assist with various City/Police related matters.

Kutz motioned to approve the purchase of the GPS units and portable cameras. Deiter seconded the motion and passed unanimously.

i. Consider Approving CARES Funding Allocation

Haggenmiller presented the staff report and further explained what CARES funding can be used for. Council reviewed the presented allocations.

Gilbert motioned to approve the Business Relief Grant. Kutz seconded the motion and passed unanimously.

Munson motioned to approve the budget plan as presented by staff. Deiter seconded the motion and passed unanimously.

j. Consider Request to Wright County to Expand Scope of CSAH 7 Road Project
Haggenmiller presented the staff report, highlighting the request of widening the shoulder of CSAH 7 to allow for pedestrian traffic.

Council expressed they would like to see wider shoulders at the very least.

Munson motioned to approve for staff to send in the request. Deiter seconded the motioned and passed unanimously.

K. <u>OLD BUSINESS</u>
None.

L. <u>ADMINISTRATORS REPORT</u>
No Report.

M. <u>ADJOURN</u>

Kutz motioned to adjourn the meeting at 8:47 pm. The motion was seconded by Gilbert and passed unanimously.

______________________________ ______________________________
Attest – City Administrator/Clerk Mayor

HOWARD LAKE CITY COUNCIL
Budget Workshop 1
July 21, 2020

Budget Workshop 1

Council and staff reviewed workshop agenda packet. Council took a survey to get an idea of what changes they would like to see for the 2021 budget. Staff reviewed the outcome of that survey with Council.

Adjourned at 9:35 PM

Howard Lake Wine & Spirits

Profit & Loss Statement

for the period 7/1/2020 to 7/31/2020

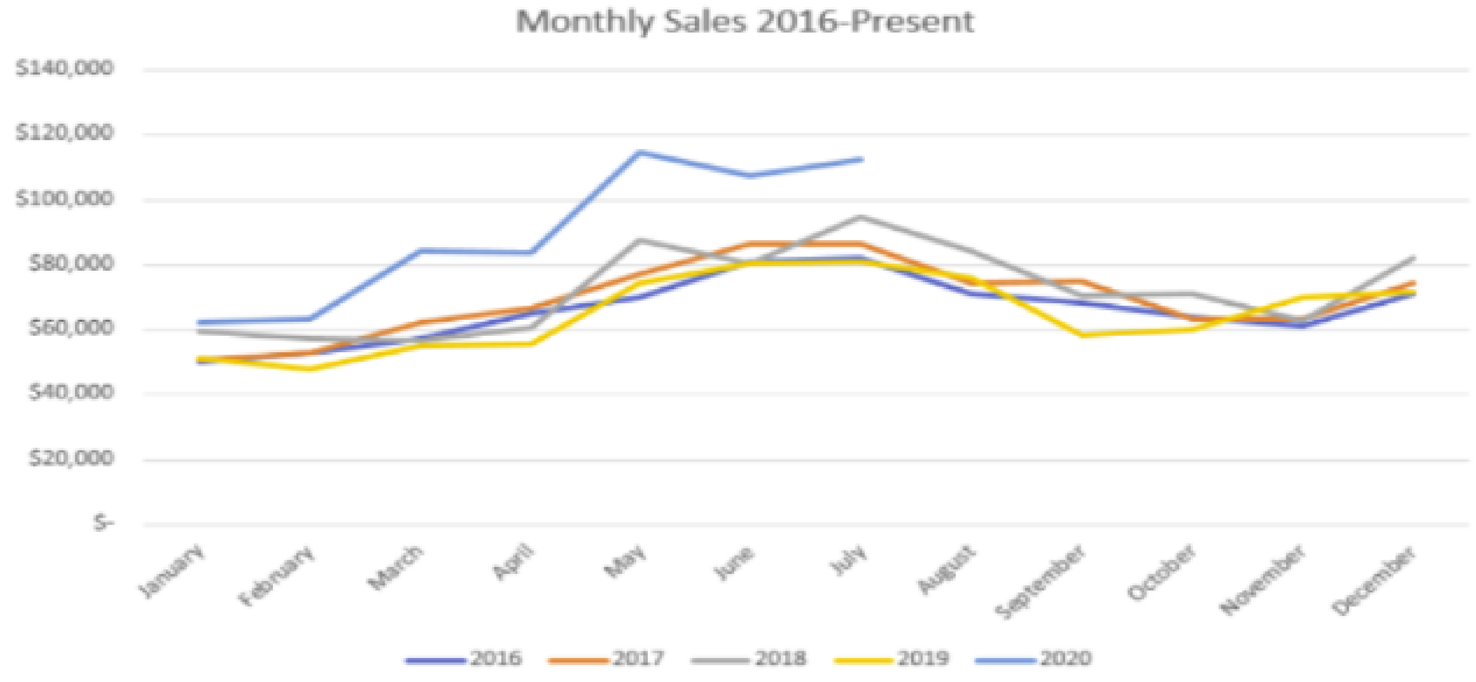
SALES	Mnthly Amnt	YTD Amount	Budget	% of Budget	2019 Mnthly Amt	2019 YTD Amt	+/- Pr Yr
Liquor	$ 33,770	$ 200,288	$ 345,000	58%	$ 22,335	$ 132,454	$ 67,834
Beer	$ 66,072	$ 359,034	$ 645,000	56%	$ 52,007	$ 281,861	$ 77,173
Wine	$ 10,477	$ 57,202	$ 95,000	60%	$ 6,032	$ 33,133	$ 24,069
Discounts	$ (2,617)	$ (10,133)			$ (1,260)	$ (10,755)	$ 622
Misc(Pop/Mixes/Tobaco)	$ 3,254	$ 16,463	$ 50,000	33%	$ 2,350	$ 17,377	$ (914)
Non Tax	$ 2,627	$ 10,706			$ 1,845	$ 7,272	$ 3,434
Loyalty Program	$ (1,330)	$ (7,650)	$ (18,500)	41%	$ (2,560)	$ (7,590.00)	$ (60)
On Sale Revenue - SSEC	$ 245	$ 1,272					
Other Revenue	$ 18	$ 122					
TOTAL SALES	$ 112,516	$ 627,305	$ 1,116,500	56%	$ 80,749	$ 453,751	$ 172,159
COST OF SALES							
Liquor	$ 23,709	$ 139,711	$ 226,548	62%	$ 17,586	$ 114,412	$ 25,299
Beer	$ 61,078	$ 282,499	$ 522,391	54%	$ 38,257	$ 212,077	$ 70,422
Wine	$ 7,370	$ 39,739	$ 58,694	68%	$ 1,942	$ 28,876	$ 10,863
Pop/Mixes/Ice	$ 2,583	$ 10,364	$ 22,400	46%	$ 846	$ 4,649	$ 5,714
Tobacco	$ 1,015	$ 5,568	$ 15,519	36%	$ 1,110	$ 11,479	$ (5,911)
Freight	$ 425	$ 4,869	$ 7,000	70%	$ 361	$ 2,979	$ 1,890
TOTAL COST OF SALES	$ 96,180	$ 482,750	$ 852,552		$ 60,102	$ 374,473	$ 108,277
GROSS PROFIT	$ 16,336	$ 144,555					
EXPENSES							
Wages/Benefits	$ 16,790	$ 87,127	$ 127,000	69%	$ 11,667	$ 78,513	$ 8,614
Consulting	$ 700	$ 3,500	$ 7,000	50%	$ -	$ 2,030	$ 1,470
Training & Seminars	$ -	$ 240	$ 1,000	24%	$ -	$ 785	$ (545)
Travel	$ 39	$ 655	$ 1,710	38%	$ 162	$ 893	$ (238)
Dues & Subscriptions	$ 800	$ 800	$ 1,000	80%	$ -	$ 130	$ 670
Cash Short/Over	$ 73	$ 105	$ -		$ (50)	$ 207	$ (102)
Credit Card Expense	$ 2,209	$ 9,431	$ 14,400	65%	$ 1,172	$ 4,214	$ 5,217
Insurance	$ 1,800	$ 7,739	$ 7,500	103%	$ -	$ 7,442	$ 297
Repair & Maintenance	$ 300	$ 1,251	$ 5,000	25%	$ -	$ 1,949	$ (698)
Computer Supplies/Technology	$ 99	$ 8,224	$ 5,000	164%	$ 270	$ 8,734	$ (510)
Utilities	$ 776	$ 4,719	$ 10,000	47%	$ 672	$ 5,469	$ (750)
Advertising	$ -	$ 1,916	$ 5,000	38%	$ -	$ 551	$ 1,366
Misc	$ 976	$ 9,154	$ 10,000	92%	$ 761	$ 7,269	$ 1,885
Depreciation	$ 625	$ 4,375	$ 7,500	58%	$ 625	$ 4,375	$ -
TOTAL EXPENSES	$ 25,187	$ 139,236	$ 202,110	69%	$ 15,279	$ 122,562	$ 16,675
PROFIT/(LOSS)	$ (8,852)	$ 5,319					

Howard Lake Wine & Spirits KPI Dashboard

Sales by Category, July 2020

Item category Description	Rank	Period	Sales	Profit $	Profit %	# of tickets	Average ticket
N/A N/A	1	A	6.99	2.46	35.2	3	2.33
BEER BEER	2	A	65,941.53	14,681.68	22.3	3,163	20.85
LIQUOR LIQUOR	3	A	32,834.03	9,062.29	27.6	1,653	19.86
LOYALTY Loyalty	4	A	-1,330.00	-1,330.00	100.0	129	-10.31
MISC ITEM MISC ITEM	5	A	3,236.52	1,102.87	34.1	366	8.85
NONTAX NONTAX	6	A	2,746.75	1,167.09	42.5	424	6.48
SSEC SSEC EVENT CENTER	7	A	825.00	825.00	100.0	2	412.50
WINE WINE	8	A	8,934.95	1,814.97	20.3	391	22.85
Report totals 8 groups		A	113,197.77	27,326.36	24.1		

YTD Sales



Almost beat monthly record sales in July, $113K vs $114K in May 2020
Dip in profits due to Sequential Wine Sale
Wine Sales during week of Sequential Sale: $1,652 in 2019 vs. $3,935 in 2020
Sales increase of 138%

Purchasing Analysis-OTB

Department : Beer				Description : Beer			
July Sales				Beginning Inventory		Turn Rates	
Projected	Actual	Diff	% Diff	Projected	Actual	Projected	Actual
50,000	50,551	551	1.1	45,000	45,694	13.3	13.3

Department : Liquor				Description : Liquor			
July Sales				Beginning Inventory		Turn Rates	
Projected	Actual	Diff	% Diff	Projected	Actual	Projected	Actual
23,512	23,781	269	1.1	91,227	102,250	3.1	2.8

Department : Misc Item				Description : Taxable			
July Sales				Beginning Inventory		Turn Rates	
Projected	Actual	Diff	% Diff	Projected	Actual	Projected	Actual
1,589	2,136	547	34.4	2,082	4,362	9.2	5.9

Department : NonTax				Description : Misc not taxable			
July Sales				Beginning Inventory		Turn Rates	
Projected	Actual	Diff	% Diff	Projected	Actual	Projected	Actual
1,430	1,580	150	10.5	1,387	1,691	12.4	11.2

Department : Wine				Description : Wine			
July Sales				Beginning Inventory		Turn Rates	
Projected	Actual	Diff	% Diff	Projected	Actual	Projected	Actual
6,918	7,101	183	2.6	27,049	34,972	3.1	2.4

INVENTORY PURCHASING AUGUST 2020						
	WINE	BEER	LIQUOR	MISC	NONTAX	TOTAL
OTB Budget	$ 35	$ 49,617	$ 247	$ -	$ 750	$ 50,649
Rest of 2020	$ 30,376	$ 195,200	$ 81,968	$ 2,357	$ 3,506	$ 313,407

July ended up being a bigger purchasing month than I anticipated. It's my first rodeo with this level of budgeting... It was good month to buy Jack Daniel's, other heavy hitters needed to be replenished...

Turns are still good. Wine inventory dropped about $5,000. That helped to bump the turn from 1.5 in June to 2.4 in July. Obviously sale had to something to do with that.

I am feeling very confident we will not use all of the $313,000 budgeted for purchasing thru December.

Analysis: Liquor Purchasing 7/2020

Top Liquor Items Sold Year to Date

Rank	Item number	Description	Qty sld	Qty on hnd	Wks-on-hnd
1	08800400937	FIREBALL 100B	2,842	624	6.9
2	08068650012	WINDSOR 1.75B	728	298	12.8
3	1-101095	RON DIAZ APPLE 50B	598	2	0.1
4	1-100126	SVEDKA VOD 50B	343	137	12.6
5	61776811117	SVEDKA VOD 1.75B	341	65	6.0
6	08700020115	CAPT MORG RUM 1.75B	337	62	5.8
14	08048001520	BACARDI RUM WHITE 1.75B	166	67	12.7
15	1-100408	REVELSTOKE PECAN 200B	157	21	4.2
50	09674908626	ADMIRAL NELSON SPICE RUM	62	81	41.1
51	0871930	CAPT MORG RUM 750T	62	11	5.6
60	08700070070	SEAGRAM'S 7 CROWN 1.75B	52	38	23.0
61	08800401154	TAAKA VODKA 750T	51	11	6.8
76	0829500	SMIRNOFF VOD 750T	45	61	42.6
91	08068682112	CANADIAN CLUB 1.75B	39	22	17.7
92	89035500130	FRAPPA CHATA 100B	39	3	2.4
124	08218409042	JACK DANIEL'S 1.75B	29	31	33.6
125	66388100096	BRADY'S IRISH CREAM 1.75B	29	24	26.0

- Big Liquor Purchases in August (graphic dated 8/7/20)
  - Svedka 1.75, 12cs
  - Bacardi White 1.75, 13cs
  - Admiral Nelson 1.75, 12cs
    - New sale price, 13.99 on sale, reg 19.99
  - Seagram's 7 Crown 1.75, 6cs
    - New sale price, $19.99/$21.99
  - Smirnoff 750T, 10cs
  - CC 1.75B, 4cs
  - Jack Daniel's 1.75, 5cs

- Jack, Smirnoff, Adm Nelson I took a position on pricing
  - Like desert driving... Fill up now!
  - Also taking a position on pricing (inc. all mentioned above)
    - Better to invest in customers than advertising
      - Buy to secure margins & display value to customers
      - We don't have a cash flow problem
        - Buy strategically now to reap dividends later

Timing is Everything!

19 Weeks left in 2020

Max suggested weeks on hand: 13

13 weeks = 4 turns

CITY OF HOWARD LAKE CLAIMS

& DONATIONS APPROVED DATE -

August 18, 2020

GENERAL FUND	**CHECKS:**	**56640– 56770**	**$246,561.34**
PAYROLL		**26647-26663, 500949 – 500991**	**43,853.46**
ELECTRONIC		**754-777**	**44,409.56**
TOTAL			**334,824.36**
AMBULANCE CLMS	**CHECKS:**	**5667-5675**	**$6,157.56**
ELECTRONIC			**0.00**
TOTAL			**$6,157.56**

____

____

____

CITY OF HOWARD LAKE

*Check Summary Register©

Cks 7/22/2020 - 8/18/2020

Name			Check Date	Check Amt	
1010 CITIZEN ALLIANCE					
Paid Chk#	000754E	RUOHO, EMILY	7/23/2020	$40.52	Overpayment for 06-19-20 Payro
Paid Chk#	000755E	CUSTOMERS	7/28/2020	$117.40	Police Investigation
Paid Chk#	000756E	INTERNAL REVENUE SERVICE	7/29/2020	$6,305.90	
Paid Chk#	000757E	MN DEPT OF REVENUE	7/29/2020	$1,184.81	
Paid Chk#	000758E	PERA	7/29/2020	$5,303.01	
Paid Chk#	000759E	FURTHER	7/29/2020	$315.00	
Paid Chk#	000760E	MN DEPT OF REVENUE	8/4/2020	$10,740.00	LS Sales Tax July 2020
Paid Chk#	000761E	MN DEPT OF REVENUE	8/4/2020	$1,517.00	UB Sales Tax July 2020
Paid Chk#	000762E	RADIANT SYSTEMS	8/4/2020	$191.25	
Paid Chk#	000763E	EPS	8/4/2020	$49.00	
Paid Chk#	000764E	TRANSFIRST	8/4/2020	$48.45	
Paid Chk#	000765E	WORLDPAY	8/4/2020	$1,424.36	CREDIT CARD CHARGES-LS
Paid Chk#	000766E	AUTHNET GATEWAY BILLING	8/4/2020	$20.12	
Paid Chk#	000767E	HEARLAND PAYMENT SYSTEM	8/4/2020	$30.23	
Paid Chk#	000768E	LS WEEKEND CASH	8/4/2020	$2,500.00	
Paid Chk#	000769E	WORLDPAY	8/6/2020	$495.00	CREDIT CARD CHARGES-LS
Paid Chk#	000770E	PSN	8/6/2020	$712.67	
Paid Chk#	000771E	CITIZENS ALLIANCE BANK	8/6/2020	$134.42	Deposit book slips
Paid Chk#	000772E	MN DEPT OF REVENUE	8/6/2020	$0.55	Correction to June Sales Tax-F
Paid Chk#	000773E	INTERNAL REVENUE SERVICE	8/12/2020	$6,207.23	
Paid Chk#	000774E	MN DEPT OF REVENUE	8/12/2020	$1,117.63	
Paid Chk#	000775E	PERA	8/12/2020	$5,289.97	
Paid Chk#	000777E	FURTHER	8/12/2020	$665.04	
Paid Chk#	026647	BONNICK, STEVEN	7/31/2020	$199.67	
Paid Chk#	026648	CHRISTENSEN, CODY	7/31/2020	$81.05	
Paid Chk#	026649	GOEPFERT, THOMAS	7/31/2020	$523.02	
Paid Chk#	026650	ALLERSON, NICHOLAS	7/31/2020	$218.96	
Paid Chk#	026651	ZEBRO, ALISON	7/31/2020	$124.10	
Paid Chk#	026652	BOBROWSKE, KURT	8/14/2020	$92.35	
Paid Chk#	026653	DIERS, CHRISTOPHER	8/14/2020	$36.94	
Paid Chk#	026654	ROLLINS, KENNETH	8/14/2020	$113.24	
Paid Chk#	026655	CHRISTENSEN, CODY	8/14/2020	$30.39	
Paid Chk#	026656	GOEPFERT, THOMAS	8/14/2020	$375.98	
Paid Chk#	026657	DRUSCH, JACOB D	8/14/2020	$268.84	
Paid Chk#	026658	MAGES, ALEX	8/14/2020	$253.44	
Paid Chk#	026659	OLSON, DAMIEN	8/14/2020	$92.35	
Paid Chk#	026660	STOLL, ERIC	8/14/2020	$240.11	
Paid Chk#	026661	WIECH, KYLE	8/14/2020	$110.82	
Paid Chk#	026662	ALLERSON, NICHOLAS	8/14/2020	$195.42	
Paid Chk#	026663	ZEBRO, ALISON	8/14/2020	$121.57	
Paid Chk#	056640	ARCTIC GLACIER ICE, INC	7/23/2020	$161.36	
Paid Chk#	056641	BELLBOY CORPORATION	7/23/2020	$1,525.80	
Paid Chk#	056642	BREAKTHRU BEVERAGE	7/23/2020	$4,369.30	
Paid Chk#	056643	CAPITOL BEVERAGE SALES	7/23/2020	$4,990.30	
Paid Chk#	056644	DAHLHEIMER BEVERAGE LLC	7/23/2020	$5,295.10	
Paid Chk#	056645	GRANITE CITY JOBBING CO	7/23/2020	$808.35	
Paid Chk#	056646	JOHNSON BROTHERS LIQUOR C	7/23/2020	$1,704.31	
Paid Chk#	056647	LOCHER BROS, INC	7/23/2020	$1,740.85	
Paid Chk#	056648	PHILLIPS WINE & SPIRITS	7/23/2020	$386.36	
Paid Chk#	056649	SOUTHERN GLAZERS OF MN	7/23/2020	$1,278.60	
Paid Chk#	056650	VINOCOPIA, INC	7/23/2020	$90.50	
Paid Chk#	056651	ADVANCED POWER SERVICES,	7/28/2020	$2,436.00	
Paid Chk#	056652	CENTERPOINT ENERGY	7/28/2020	$244.60	
Paid Chk#	056653	CR ELECTRIC	7/28/2020	$268.90	
Paid Chk#	056654	EARL F ANDERSON, INC	7/28/2020	$129.30	

CITY OF HOWARD LAKE

*Check Summary Register©

Cks 7/22/2020 - 8/18/2020

	Name	Check Date	Check Amt	
Paid Chk# 056655	EARTHLINK INC	7/28/2020	$12.95	
Paid Chk# 056656	HAWKINS, INC	7/28/2020	$767.70	
Paid Chk# 056657	HOWARD LAKE ROYALTY	7/28/2020	$3,000.00	
Paid Chk# 056658	LAWAY, MYRA	7/28/2020	$43.33	Reimbursement
Paid Chk# 056659	MENARDS-BUFFALO	7/28/2020	$108.76	
Paid Chk# 056660	MIDWEST MACHINERY CO	7/28/2020	$120.72	
Paid Chk# 056661	MN MUNICIPAL BEVERAGE ASS	7/28/2020	$800.00	MMBA Annual Dues - City of How
Paid Chk# 056662	MN VALLEY TESTING LAB	7/28/2020	$42.00	
Paid Chk# 056663	MUMFORD SANITATION-MONTH	7/28/2020	$10,446.65	RECYCLING
Paid Chk# 056664	NCPERS GROUP LIFE INS	7/28/2020	$48.00	
Paid Chk# 056665	PAUMEN COMPUTER SERVICES	7/28/2020	$875.25	
Paid Chk# 056666	PETTIT, JAY	7/28/2020	$10.62	Utility Reimbursement - 708 7t
Paid Chk# 056667	PLUNKETT S PEST CONTROL	7/28/2020	$70.60	
Paid Chk# 056668	RON SCHROEDER CONTRACTIN	7/28/2020	$781.25	
Paid Chk# 056669	SPRINT - CELL	7/28/2020	$310.67	
Paid Chk# 056670	STUEVEN, MIKE & MARGE	7/28/2020	$34.00	FARMERS MARKET - REIMBURSEMENT
Paid Chk# 056671	T & T SERVICES	7/28/2020	$581.50	
Paid Chk# 056672	THOMPSON, DAVE	7/28/2020	$36.77	REIMBURSEMENT
Paid Chk# 056673	VISA	7/28/2020	$1,439.24	
Paid Chk# 056674	WASTEWATER COMMISSION	7/28/2020	$8,713.98	FORSMAN PORTION - MAY 2020
Paid Chk# 056675	WRIGHT HENNEPIN ELECTRIC	7/28/2020	$754.00	
Paid Chk# 056676	ZWILLING, TROY	7/28/2020	$26.95	CELL PHONE
Paid Chk# 056677	ARCTIC GLACIER ICE, INC	8/3/2020	$151.12	
Paid Chk# 056678	BELLBOY CORPORATION	8/3/2020	$3,193.85	
Paid Chk# 056679	BENT BREWSTILLERY	8/3/2020	$133.20	
Paid Chk# 056680	BRASS FOUNDRY BREWING CO	8/3/2020	$92.32	
Paid Chk# 056681	BREAKTHRU BEVERAGE	8/3/2020	$346.43	
Paid Chk# 056682	C & L DISTRIBUTING	8/3/2020	$433.60	Beer
Paid Chk# 056683	CAPITOL BEVERAGE SALES	8/3/2020	$5,236.19	
Paid Chk# 056684	DAHLHEIMER BEVERAGE LLC	8/3/2020	$4,776.15	
Paid Chk# 056685	GRANITE CITY JOBBING CO	8/3/2020	$263.05	
Paid Chk# 056686	JOHNSON BROTHERS LIQUOR C	8/3/2020	$3,054.40	
Paid Chk# 056687	LOCHER BROS, INC	8/3/2020	$4,926.90	
Paid Chk# 056688	PAUSTIS WINE COMPANY	8/3/2020	$286.25	
Paid Chk# 056689	PHILLIPS WINE & SPIRITS	8/3/2020	$774.90	
Paid Chk# 056690	SOUTHERN GLAZERS OF MN	8/3/2020	$1,261.00	
Paid Chk# 056691	VINOCOPIA, INC	8/3/2020	$331.00	
Paid Chk# 056692	WINE MERCHANTS	8/3/2020	$607.95	
Paid Chk# 056693	HOWARD LAKE CEMETERY ASS	8/4/2020	$10,000.00	
Paid Chk# 056694	ALLPRO VECTOR GROUP	8/6/2020	$5,626.00	
Paid Chk# 056695	BOLTON & MENK, INC	8/6/2020	$19,684.50	
Paid Chk# 056696	CENTURYLINK	8/6/2020	$633.15	
Paid Chk# 056697	CINTAS	8/6/2020	$621.90	
Paid Chk# 056698	CORE & MAIN	8/6/2020	$368.19	Strom driveway
Paid Chk# 056699	FROOGLE, LLC	8/6/2020	$50.00	
Paid Chk# 056700	GOPHER STATE ONE-CALL, INC	8/6/2020	$72.20	
Paid Chk# 056701	HALVORSON, LANGEMO & PASC	8/6/2020	$1,248.00	
Paid Chk# 056702	HAWKINS, INC	8/6/2020	$5.00	
Paid Chk# 056703	HERALD JOURNAL PUBLISHING	8/6/2020	$356.96	
Paid Chk# 056704	HL PIT STOP	8/6/2020	$784.64	
Paid Chk# 056705	JLR GARAGE DOOR SERVICE, I	8/6/2020	$145.00	
Paid Chk# 056706	JOES SPORT SHOP	8/6/2020	$1,286.71	
Paid Chk# 056707	MARCO TECHNOLOGIES LLC-PH	8/6/2020	$407.14	
Paid Chk# 056708	MEDIACOM LLC	8/6/2020	$156.90	
Paid Chk# 056709	MENARDS-BUFFALO	8/6/2020	$246.87	
Paid Chk# 056710	METRO WEST INSPECTION SER	8/6/2020	$2,365.18	

CITY OF HOWARD LAKE

*Check Summary Register©

Cks 7/22/2020 - 8/18/2020

		Name	Check Date	Check Amt	
Paid Chk#	056711	MHSRC/RANGE	8/6/2020	$445.00	
Paid Chk#	056712	MUNSON LAKES NUTRITION	8/6/2020	$213.44	
Paid Chk#	056713	R HOME	8/6/2020	$2,850.00	421 TERNING WAY - STREET DEPOS
Paid Chk#	056714	STREICHERS	8/6/2020	$339.91	
Paid Chk#	056715	SWANSON, JASON	8/6/2020	$719.55	
Paid Chk#	056716	THE MILL POND	8/6/2020	$510.00	
Paid Chk#	056717	VERIZON CONNECT, NWF INC	8/6/2020	$256.33	
Paid Chk#	056718	WASTEWATER COMMISSION	8/6/2020	$59,514.40	FORSMAN PORTION APRIL 2020
Paid Chk#	056719	WRIGHT COUNTY AUDITOR TRE	8/6/2020	$38.70	2020 SPECIAL ASSESSMENT FEE
Paid Chk#	056720	WRIGHT COUNTY JOURNAL PR	8/6/2020	$123.00	
Paid Chk#	056721	XCEL ENERGY	8/6/2020	$1,770.74	
Paid Chk#	056722	HOWARD LAKE WATERSHED AL	8/7/2020	$2,000.00	
Paid Chk#	056723	DONAHUE, MEAGAN	8/12/2020	$215.00	CELL PHONE - August 2020
Paid Chk#	056724	HAGGENMILLER, NICK	8/12/2020	$365.00	CELL PHONE - August 2020
Paid Chk#	056725	LAWAY, MYRA	8/12/2020	$65.00	CELL PHONE - August 2020
Paid Chk#	056726	PRESTIDGE, CLAYTON	8/12/2020	$65.00	CELL PHONE - August 2020
Paid Chk#	056727	STANLEY, BRIDGET	8/12/2020	$65.00	CELL PHONE - August 2020
Paid Chk#	056728	ZWILLING, TROY	8/12/2020	$65.00	CELL PHONE - August 2020
Paid Chk#	056729	ALLERSON, NICK	8/13/2020	$35.51	Utility Reimbursement
Paid Chk#	056730	AMERICAN PRESSURE INC	8/13/2020	$199.00	
Paid Chk#	056731	ARCTIC GLACIER ICE, INC	8/13/2020	$359.58	
Paid Chk#	056732	BELLBOY CORPORATION	8/13/2020	$459.46	
Paid Chk#	056733	BIRCHDALE FIRE & SECURITY, L	8/13/2020	$144.96	
Paid Chk#	056734	BREAKTHRU BEVERAGE	8/13/2020	$1,206.40	
Paid Chk#	056735	C & L DISTRIBUTING	8/13/2020	$327.00	Beer
Paid Chk#	056736	CAPITOL BEVERAGE SALES	8/13/2020	$11,298.29	Keg Return
Paid Chk#	056737	COURI & RUPPE, P.L.L.P.	8/13/2020	$645.00	
Paid Chk#	056738	CUB FOODS	8/13/2020	$412.49	
Paid Chk#	056739	DAHLHEIMER BEVERAGE LLC	8/13/2020	$4,620.95	
Paid Chk#	056740	DETLEFSEN, JOE	8/13/2020	$28.06	Utility Reimbursement
Paid Chk#	056741	FERRELL, JUSTINA	8/13/2020	$11.50	Delivery Reimbursement
Paid Chk#	056742	FIE, KYLEE	8/13/2020	$9.78	Delivery Reimbursement
Paid Chk#	056743	FINKEN WATER SOLUTIONS	8/13/2020	$39.50	
Paid Chk#	056744	HOWARD LAKE FOODS	8/13/2020	$9.67	
Paid Chk#	056745	JOHNSON BROTHERS LIQUOR C	8/13/2020	$1,337.13	CREDIT MEMO
Paid Chk#	056746	JONS LAWN CARE & SNOW REM	8/13/2020	$579.83	
Paid Chk#	056747	KITTOCK, BRIAN	8/13/2020	$132.46	Reimbursement
Paid Chk#	056748	LEAGUE OF MN CITIES INS TRU	8/13/2020	$16.89	
Paid Chk#	056749	LOCHER BROS, INC	8/13/2020	$2,439.60	
Paid Chk#	056750	MARCO TECHNOLOGIES LLC-PH	8/13/2020	$78.14	
Paid Chk#	056751	MCALPINE, DEBRA	8/13/2020	$22.43	
Paid Chk#	056752	MEDIACOM LLC	8/13/2020	$244.90	
Paid Chk#	056753	MENARDS-BUFFALO	8/13/2020	$71.52	
Paid Chk#	056754	MIDWEST MACHINERY CO	8/13/2020	$38.16	
Paid Chk#	056755	MN PEIP	8/13/2020	$13,255.76	
Paid Chk#	056756	MN VALLEY TESTING LAB	8/13/2020	$47.00	
Paid Chk#	056757	NORTH CENTRAL INTERNATION	8/13/2020	$97.95	Customer # AH235296
Paid Chk#	056758	NORTHWEST ASSOC CONSULT	8/13/2020	$347.00	
Paid Chk#	056759	PERA	8/13/2020	$2,030.18	PERA ID: 5366-00
Paid Chk#	056760	PHILLIPS WINE & SPIRITS	8/13/2020	$2,477.29	
Paid Chk#	056761	PLUNKETT S PEST CONTROL	8/13/2020	$111.28	
Paid Chk#	056762	RED BULL DISTRIBUTION CO, IN	8/13/2020	$77.80	
Paid Chk#	056763	SOUTHERN GLAZERS OF MN	8/13/2020	$1,477.03	
Paid Chk#	056764	STUEVEN, MIKE & MARGE	8/13/2020	$58.00	Farmer's Market POP Club Reimb
Paid Chk#	056765	TROUBLES	8/13/2020	$209.18	
Paid Chk#	056766	VINOCOPIA, INC	8/13/2020	$87.00	

CITY OF HOWARD LAKE

*Check Summary Register©

Cks 7/22/2020 - 8/18/2020

		Name	Check Date	Check Amt	
Paid Chk#	056767	WAVERLY LOCK CO	8/13/2020	$47.00	
Paid Chk#	056768	WRIGHT HENNEPIN ELECTRIC	8/13/2020	$758.00	
Paid Chk#	056769	XCEL ENERGY	8/13/2020	$6,627.24	
Paid Chk#	056770	ZANDER, SHARI	8/13/2020	$83.13	Reimbursement - Election Meals
Paid Chk#	056771	BURKSTRAND AGENCY	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056772	CATTAIL CORNER, INC	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056773	FLOOR VALUE	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056774	INNOCAST CORPORATION	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056775	KLEVE CENTERLESS GRINDING,	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056776	LAKE BOWL	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056777	LOVE INC - HEARTLAND	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056778	MARIAS MEXICAN RESTURANT	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056779	NORTH FORK CUSTOM MEATS L	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056780	SWANSON-PETERSON FUNERA	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056781	THAT CHICK WITH A CAMERA	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056782	VINTAGE EXCHANGE	8/17/2020	$3,000.00	CARES BUSINESS GRANT
Paid Chk#	056783	ZITZLOFF SNOW PLOWING	8/17/2020	$3,000.00	
Paid Chk#	500949E	HAGGENMILLER, NICHOLAS A	7/31/2020	$3,115.31	
Paid Chk#	500950E	KUTZ, KENNETH	7/31/2020	$290.26	
Paid Chk#	500951E	LAWAY, MYRA	7/31/2020	$1,825.37	
Paid Chk#	500952E	SZCZEPANIK, DARIUSZ J	7/31/2020	$1,700.14	
Paid Chk#	500953E	THOMPSON, DAVID G	7/31/2020	$1,904.11	
Paid Chk#	500954E	ZANDER, SHARI	7/31/2020	$1,176.93	
Paid Chk#	500955E	ANDERSON, ERIC J.	7/31/2020	$1,883.39	
Paid Chk#	500956E	CASSIDY, JOSHUA J	7/31/2020	$293.26	
Paid Chk#	500957E	THEISEN, MEAGAN	7/31/2020	$1,766.12	
Paid Chk#	500958E	YUNKER, JEAN	7/31/2020	$539.59	
Paid Chk#	500959E	PRESTIDGE, CLAYTON P	7/31/2020	$1,574.68	
Paid Chk#	500960E	STANLEY, BRIDGET	7/31/2020	$1,241.51	
Paid Chk#	500961E	ZWILLING, TROY	7/31/2020	$1,926.26	
Paid Chk#	500962E	FERRELL, JUSTINA LYNN	7/31/2020	$408.21	
Paid Chk#	500963E	FIE, KYLEE	7/31/2020	$298.91	
Paid Chk#	500964E	MARSCHEL, KAITLYN J	7/31/2020	$151.96	
Paid Chk#	500965E	MCALPINE, DEBRA-ANN	7/31/2020	$320.21	
Paid Chk#	500966E	RUOHO, EMILY	7/31/2020	$212.49	
Paid Chk#	500967E	BOBROWSKE, KEITH	8/14/2020	$92.35	
Paid Chk#	500968E	HAGGENMILLER, NICHOLAS A	8/14/2020	$2,919.06	
Paid Chk#	500969E	LAWAY, MYRA	8/14/2020	$1,637.89	
Paid Chk#	500970E	SZCZEPANIK, DARIUSZ J	8/14/2020	$1,666.12	
Paid Chk#	500971E	THOMPSON, DAVID G	8/14/2020	$1,870.09	
Paid Chk#	500972E	THOMPSON, KYLE	8/14/2020	$524.04	
Paid Chk#	500973E	ZANDER, SHARI	8/14/2020	$1,121.76	
Paid Chk#	500974E	ANDERSON, ERIC J.	8/14/2020	$1,723.83	
Paid Chk#	500975E	CASSIDY, JOSHUA J	8/14/2020	$265.52	
Paid Chk#	500976E	THEISEN, MEAGAN	8/14/2020	$1,631.72	
Paid Chk#	500977E	YUNKER, JEAN	8/14/2020	$201.68	
Paid Chk#	500978E	PRESTIDGE, CLAYTON P	8/14/2020	$1,274.55	
Paid Chk#	500979E	STANLEY, BRIDGET	8/14/2020	$1,176.02	
Paid Chk#	500980E	ZWILLING, TROY	8/14/2020	$1,749.63	
Paid Chk#	500981E	BRAVINDER, SETH Z	8/14/2020	$55.41	
Paid Chk#	500982E	KITTOCK, BRIAN	8/14/2020	$161.04	
Paid Chk#	500983E	KITTOCK, NICOLE D	8/14/2020	$227.96	
Paid Chk#	500984E	LOEBERTMANN, AMANDA G	8/14/2020	$55.41	
Paid Chk#	500985E	PETERSON, DAVID T	8/14/2020	$240.11	
Paid Chk#	500986E	YOKIEL, ANDREW J	8/14/2020	$361.24	
Paid Chk#	500987E	FERRELL, JUSTINA LYNN	8/14/2020	$412.92	

CITY OF HOWARD LAKE

*Check Summary Register©

Cks 7/22/2020 - 8/18/2020

Name	Check Date	Check Amt
Paid Chk# 500988E FIE, KYLEE	8/14/2020	$236.18
Paid Chk# 500989E MARSCHEL, KAITLYN J	8/14/2020	$126.64
Paid Chk# 500990E MCALPINE, DEBRA-ANN	8/14/2020	$259.85
Paid Chk# 500991E RUOHO, EMILY	8/14/2020	$155.48
	Total Checks	$373,824.36

CITY OF HOWARD LAKE

*Check Summary Register©

Cks 7/22/2020 - 8/18/2020

	Name	Check Date	Check Amt	
1012 CAB - AMBULANCE				
Paid Chk# 005667	ALLINA HEALTH EMS	8/12/2020	$800.00	
Paid Chk# 005668	BOBROWSKE, KURT	8/12/2020	$68.15	Reimbursement
Paid Chk# 005669	BOUNDTREE MEDICAL	8/12/2020	$708.52	
Paid Chk# 005670	CENTRAL MCGOWAN, INC	8/12/2020	$26.63	
Paid Chk# 005671	CITY OF HOWARD LAKE	8/12/2020	$2,600.00	Wages
Paid Chk# 005672	KEAVENY PHARMACY	8/12/2020	$742.35	
Paid Chk# 005673	MEDICS TRAINING, INC	8/12/2020	$575.00	
Paid Chk# 005674	RIDGEVIEW MEDICAL CENTER	8/12/2020	$200.00	
Paid Chk# 005675	ZOLL MEDICAL CORPORATION	8/12/2020	$436.91	
		Total Checks	$6,157.56	

HOWARD LAKE CITY COUNCIL MEETING

August 18, 2020

AGENDA ITEM: Consider Accepting Various Personnel Appointments

SECTION: Consent Agenda

FROM: Meagan Donahue, Assistant City Administrator

BACKGROUND: Per statute, the City Administrator appoints and the City Council confirms employment classification as part of the official record. The following individuals are submitted for approval:

Elise Linder	Part-Time Liquor Store Clerk

DECISION MAKING METRICS:

FINANCIAL: This position is budgeted as part of the 2020 General Fund Budget.

LEGAL: All personnel appointments are contingent upon successful background check.

STRATEGIC PLAN: Deliver High Quality, Reliable Infrastructure and Public Services

---

COUNCIL ACTION REQUESTED: Approve appointments as presented.

ATTACHMENTS: N/A

HOWARD LAKE CITY COUNCIL MEETING

August 18, 2020

AGENDA ITEM: **Code Enforcement Abatement**

SECTION: New Business

FROM: Meagan Theisen, Assistant City Administrator

BACKGROUND: City staff is continuing to work on code enforcement efforts. Currently there are two properties our list that has not made an effort/haven't worked with staff to comply to City codes.

On Thursday July 16, after sending 3 long grass letters to 1017 7th Ave, the Public Works department abated the grass issues by mowing and weed wiping the property**.** The resident was sent a bill of $700 for City staff completing this work. He has also received two more letters/administrative fines for long grass, unregistered vehicles, a vehicle parked on the grass, and various debris in the yard, for a total of $500 in additional administrative fines. This property was also assessed $400 in administrative fines at the July 21st meeting.

Staff has sent six letters to Tyler Larsen at 199 12th Street, along with $400 in administrative fines for having unregistered vehicles on his property. Chapter 19.02 of the City Code requires that vehicles be licensed. Currently, Larsen has one unlicensed pick-up truck and one unlicensed vehicle that he says it is an off-road collector vehicle. Staff has noticed that the unlicensed vehicles on the property tend to rotate. Staff was informed that the resident is possibly running a business turning vehicles out of his property.

COUNCIL ACTION REQUESTED:

1) **Consider approving Resolution 20-10, directing staff to abate the identified issues at 1017 7th Avenue.**
2) **Consider approving Resolution 20-11, directing staff to abate the identified issues at 199 12th Street.**

ATTACHMENTS:

1) **Resolution 20-10**
2) **Resolution 20-11**

CITY OF HOWARD LAKE
RESOLUTION 20-10

RESOLUTION APPROVING NUISANCE ABATEMENT AT 1017 7th AVE

WHEREAS, City staff has inspected property owned by Greg Lynch located at 1017 7th Avenue, legally described as follows:

Sect-03 Twp-118 Range-027 ORIGINAL PLAT HOWARD LK Block-030 LOT-005

WHEREAS, as a result of such inspection, staff found the property to be in violation of the City Nuisance Ordinance 6.01, Abandoned Motor Vehicles Ordinance 19.02 and the property must be cleaned up and properly maintained; and,

WHEREAS, the property owner received notices dated April 20, May 7, May 29, June 4, June 19, July 6, July 15, and August 11, 2020 requesting corrective action; and,

WHEREAS, the following issues remains uncorrected:

1. Cut grass and tall weeds throughout property.
2. Remove debris in the backyard.
3. Unregistered vehicles on the driveway – Two Mini Vans
4. Unregistered vehicle parked on the grass in the backyard – A Chevy Malibu

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Howard Lake that City staff, in consultation with the City Attorney, shall be directed to take any necessary corrective actions to legally abate the nuisance violations or otherwise enforce the City's rights under Minnesota law including, but not limited to, retaining legal counsel to file any necessary court actions to secure abatement and/or arranging for the City to abate the nuisance violations.

BE IT FURTHER RESOLVED that the costs associated with abating the nuisance will be assessed against the property.

PASSED AND ADOPTED this 18th day of August, 2020.

____
Peter Zimmerman, Mayor

ATTEST:

____
Nicholas Haggenmiller, City Administrator-Clerk

CITY OF HOWARD LAKE
RESOLUTION 20-11

RESOLUTION APPROVING NUISANCE ABATEMENT AT 199 12th Street

WHEREAS, City staff has inspected property owned by Tyler Larsen located at 199 12th Street, legally described as follows:

Sect-03 Twp-118 Range-027 STERNER'S ADDN Lot-005 Block-003

WHEREAS, as a result of such inspection, staff found the property to be in violation of the Abandoned Motor Vehicles Ordinance 19.02 and the property must properly screened from the right-of-way and,

WHEREAS, the property owner received notices dated April 20, May 7, May 29, June 19, July 6, and August 11, 2020 requesting corrective action; and,

WHEREAS, the following issues remains uncorrected:

1. Unregistered vehicles on driveway – Dodge pick-up and another unmarked vehicle.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Howard Lake that City staff, in consultation with the City Attorney, shall be directed to take any necessary corrective actions to legally abate the nuisance violations or otherwise enforce the City's rights under Minnesota law including, but not limited to, retaining legal counsel to file any necessary court actions to secure abatement and/or arranging for the City to abate the nuisance violations.

BE IT FURTHER RESOLVED that the costs associated with abating the nuisance will be assessed against the property.

PASSED AND ADOPTED this 18th day of August, 2020.

____
Peter Zimmerman, Mayor

ATTEST:

____
Nicholas Haggenmiller, City Administrator-Clerk

HOWARD LAKE CITY COUNCIL MEETING

AUGUST 18, 2020

AGENDA ITEM: Consider Election Judge Pay Increases

SECTION: New Business

FROM: Nick Haggenmiller, City Administrator

BACKGROUND: Election judges for the City of Howard Lake provide a valuable civil service to the community during elections. Judges require training in advance of the election as well as long hours during the actual primary and election days.

Currently, election judges receive a compensation of $8/hour. It is unclear when the last increase occurred. However, federal minimum wage is currently $9.80 per hour. A recent survey of Wright County cities found average pay for election judges to range from $12 - $20 per hour. There was some consistency in additional pay for head election judges. In Howard Lake, city staff doubles as the head election judge.

We are recommending a pay increase from $8/hour to $15/hour which would include all 2020 related training and election day hours. In anticipation of an increase as well as added expenses to a larger general election, the FY2020 Budget was increased and will be able to accommodate this salary increase.

DECISION MAKING METRICS

FINANCIAL: The GF2020 Budget includes $10,000 for election related expenses. We estimate this increase will be easily accommodated within budget.

LEGAL: Open

STRATEGIC PLAN: Sustain and Enhance Community Traditions. Support engaged citizens.

COUNCIL ACTION REQUESTED: Approve an increase in wages to $15/hour for election judges.

ATTACHMENTS: N/A

HOWARD LAKE CITY COUNCIL MEETING

August 18, 2020

AGENDA ITEM: **SET UP FALL CLEAN UP DATES AND TERMS**

SECTION: New Business

FROM: Meagan Theisen, Assistant City Administrator

BACKGROUND: Due to COVID19, the spring city wide clean-up looked a little different this year. City Staff set up dumpsters at Memorial Park for people to bring various items for the whole month of April. We had a staff member there Monday through Saturday to monitor what was being dumped and to collect payments.
Spring Clean-up guidelines –

- Monday – Friday 1PM to 7PM & Saturdays 8AM – 12PM
- City of Howard Lake residents only, ID with proof of residency was checked at the gate.

Accepted:		**PROHIBITED**
Small Load -	$5.00	Paint
Medium Load -	$10.00	Hazardous Chemicals
Oversized Load -	$15.00	Construction Materials
Couch/Upholstered -	$20.00	Fluorescent Tubes
Mattress -	$20.00	Appliances
Box Spring -	$20.00	Electronics
Tires -	$4.00	Commercial/Contractors
Scrap Metal -	FREE	

We recently received the bill from the spring clean-up and the City's portion continues to be much higher than the amount collected from residents.

Item Collected	Expensed Incurred	Income Collected
Tires	$504	$480
Couches	$240	$240
Mattresses	$1,140	$760
Garbage/Junk - $19.94/ton	$4,516.02	$1,493
Total	$6,400.02	$2,973.00

Proposed fees for the fall clean-up:

Accepted:		**PROHIBITED**
Small Load -	$10.00	Paint
Medium Load -	$15.00	Hazardous Chemicals
Oversized Load -	$20.00	Construction Materials
Couch/Upholstered -	$25.00	Fluorescent Tubes
Mattress -	$30.00	Appliances
Box Spring -	$30.00	Electronics
Tires -	$5.00	Commercial/Contractors
Scrap Metal -	FREE	

RECOMMENDATION:
Staff is recommending to holding the fall clean-up for two weeks, including some evenings and two Saturdays, sometime between mid-September and mid-October.

Staff will also advertise the clean-up dates on the City website, Facebook, and the Herald Journal.

COUNCIL ACTION REQUESTED: Set dates and time for the 2020 fall clean up and approve fees.

ATTACHMENTS: N/A

HOWARD LAKE CITY COUNCIL MEETING

August 18, 2020

AGENDA ITEM: **Lift Station Repair and Maintenance**

SECTION: New Business

FROM: Meagan Theisen, Assistant City Administrator

BACKGROUND: Over the last few months the City has been experiencing issues with lift station #4, near 8th Ave and Haywood Drive. Nelson Electric Motor Repair has come out to help with "band aide" fixes, but provided the city with a quote of $10,380 to replace the two 5 HP 230 volt pumps, replace two 4 inch flapper check valves, and labor at $135/hour. He also suggested replacing the control panel.

The City budgeted to replace the lift station #5 and lift station #6 control panels in 2020, but Troy Zwilling, the public works lead, is suggesting replacing the control panel at lift station #4 and lift station #5 instead. The control panel at lift station #6 is still operating well and can be pushed off to another year.

FINANCIAL: The CIP budgeted $25,750 for a control panel at lift station 5 and $25,750 for a control panel at lift station 6.

COUNCIL ACTION REQUESTED:

1) **Consider Approval of the suggested repairs to lifts station #4.**
2) **Consider approval of the replacement of the control panels at lift station #4 and lift station #5.**

ATTACHMENTS:

1) **Quote for repairs at lift station #4**
2) **Quote for Control Panels**

Total for all repairs - $32,315

NELSON ELECTRIC MOTOR REPAIR

9654 US HWY 12

HOWARD LAKE, MN. 55349

CELL: 320-296-1084 HOME: 320-543-3280

Quote Attention: Troy

DATE: 07-29-20

ADDRESS: City of Howard Lake

	This is the quote you wanted for repair of lift 4	
2	5 hp 230 volt pumps @ $4200	$8400.00
2	4 inch flapper check valves @ $450	$900.00
8	Hours field labor @ $135	$1080.00
	Incoming freight not included	
	This quote is to replace the check valves and install new pumps.	
	Tax	
	Total	$10,380.00

----- Forwarded Message -----
From: "Mike Nelson" <nelsonelectric@hotmail.com>
To: "Tlzwilling@yahoo.com" <Tlzwilling@yahoo.com>
Sent: Mon, Aug 17, 2020 at 9:12 AM
Subject: Re: lift 4 quote

Good morning Troy
Lift 4 control panel $10,260
Lift 5 control panel $11,675
They are both stainless. Operating with a pressure transducer and float back up

Nelson Electric Motor Repair

On Jul 29, 2020, at 6:36 AM, Mike Nelson <nelsonelectric@hotmail.com> wrote:

Good morning Troy
Here is the quote you've been waiting for.

Mike Nelson
Nelson Electric Motor Repair
9654 US HWY 12
Howard Lake MN

HOWARD LAKE CITY COUNCIL MEETING

AUGUST 21, 2020

AGENDA ITEM: **Consider Quote to Paint Exterior of City Offices**

SECTION: New Business

FROM: Nick Haggenmiller, City Administrator

BACKGROUND: The exterior of city hall has only been spot painted since the City acquired the property in 2008. Quotes were sought to paint the full exterior of the building. The apparent low quote is Schroeder Contracting for $3,200. Included in the quote:

- Labor
- Equipment rental
- Caulking of windows and seals
- Light crack filling
- Two colors

The City would purchase paint (we're tax exempt).

DECISION MAKING METRICS:

FINANCIAL: $3,200 + Paint. We estimate the total project cost to be about $5,000.

LEGAL: The City was not required to receive bids; multiple quotes were sought.

STRATEGIC PLAN: Support and Maintain Public Facilities

COUNCIL ACTION REQUESTED: Approve the quote as presented to paint the exterior of city offices.

ATTACHMENTS:

1. Quote

Ron Schroeder Contracting

713 Green Ave SE
Watertown, MN 55388
Cell: 612-618-6952

PROPOSAL SUBMITTED TO:

Name City of Howard Lake

Address 625 8th Ave.

Nick
Phone 507-382-4848 Date 5-24-18

* * *

Paint City Hall – 2 colors
One coat Paint + Primer in 1

Patch Holes with Caulk/cement
Front Entry / P.D. Entry / overhang
trim in around Lettering
3 walls plus overhang Facing
by P.D. + Above overhang.

All Equipment + Labor $3260.00

* Paint by City

We hereby propose to furnish labor and materials complete in accordance with the above specifications, for the sum of $__________________
With payment to be made as follows:__________________

Acceptance of Proposal: The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature__________________

Signature Ronald D. Schroeder

HOWARD LAKE CITY COUNCIL MEETING

AUGUST 21, 2020

AGENDA ITEM: **Consider approving Quote for Roof Top Unit at City Offices**

SECTION: New Business

FROM: Nick Haggenmiller, City Administrator

BACKGROUND: The HVAC unit supporting city offices is approximately 40 years old. Finding vendors willing and able to service the unit is difficult. Finding parts is even more difficult. Last winter, it was complete luck that our unit broke down at the same time another building was being demolished with a similar HVAC system in order for us to receive scrap parts.

The City solicited quotes and is recommending approval of AirPro of Kimball, Minnesota at a cost of $29,000. Included with the quote is the following:

- Crane rental
- Roof Top Unit Disposal
- Installation of new roof top unit
- Local and state permits required
- New thermostat & control system*

*One aspect that makes this a competitive and attractive quote is the inclusion of new thermostats and a master control system. Included in the proposed cost and scope is replacement of existing meters with a system run by a laptop (also included). Currently, managing temperature by zones is nearly impossible given the age and configuration of our system.

DECISION MAKING METRICS:

FINANCIAL: The proposed quote is for $29,000. The 2020 CIP includes an allocation of $25,000 for this purchase.

LEGAL: The City was not required to receive bids; multiple quotes were sought.

STRATEGIC PLAN: Support and Maintain Public Facilities

COUNCIL ACTION REQUESTED: Approve quote for $29,000 for AirPro for purchase and installation of a new roof top HVAC unit at City Hall.

ATTACHMENTS:

1. Quote from AirPro

Air-Pro Heating & Cooling, LLC
320-291-3994

Estimate

Date	8/13/2020
Estimate #	1750
P.O. No.	RTU

PO Box 614
Kimball, MN 55353

Name / Address
City of Howard Lake Att: Nick Haggenmiller 625 8th Ave Howard Lake, MN 55349

Project/Job Location
Howard Lake, MN

Description	Qty	Rate	Total
Job Location: Howard Lake City Hall * Provide and install direct replacement. *Crane cost included. *Curb Adaptor Included.			
High Efficiency Option Includes:	1	26,654.00	26,654.00
*Replace qty. 1 Carrier 10 Ton RTU 410A high efficiency Natural Gas/Electric 208/230 3 phase, Standard heat, Low leak economizer, 2- speed VFD Blower, *Removal and disposal of existing unit and R-22 Freon. *Duct Smoke Detector. *Economizer installation. *Gas hookup and pressure check. *New controls with Backnet thermostats open board. (Computer Included) *New ducting supply actuators. *Complete Start-Up and all material and labor.			
Line Item Notes: *Estimate includes replacing those control boxes on the wall you use keys to get in. The new controls will actually mount similar then go to a laptop that we are supplying on the estimate built into controls so its where you go to log in and control the system vs the panel that you go to currently.			
Electrical cost to remove wiring and wire new units both 3 phase high voltage and low voltage. *1 New RTU Wire. *Controls Wire. *1 Duct Detector Wire. *Permits for electrical Total all material and labor.	1	2,000.00	2,000.00
City of Howard Lake MN Permits and Fees	1	258.00	258.00
		Total:	

Terms:	1/2 Down, 1/2 When Complete	Signature:

Phone #	(320) 291-3994	E-mail	sales@airprocentralmn.com	Web Site	www.airprocentralmn.com

Air-Pro Heating & Cooling, LLC
320-291-3994

Estimate

Date	8/13/2020
Estimate #	1750
P.O. No.	RTU

PO Box 614
Kimball, MN 55353

Name / Address
City of Howard Lake Att: Nick Haggenmiller 625 8th Ave Howard Lake, MN 55349

Project/Job Location
Howard Lake, MN

Description	Qty	Rate	Total
Terms and Conditions:		0.00	0.00
*We offer all local rebates available as a quality installer. (Xcel Energy Rebates on this Option $1,304.00). *Warranty: 1 Year Air-Pro labor warranty.			
MN State Sales Tax		6.875%	0.00
		Total:	$28,912.00

Terms:	1/2 Down, 1/2 When Complete	Signature:

Phone #	(320) 291-3994	E-mail	sales@airprocentralmn.com	Web Site	www.airprocentralmn.com

HOWARD LAKE CITY COUNCIL MEETING

August 18, 2019

AGENDA ITEM: Consider Purchase Agreement for Villas of Howard Lake Property

SECTION: New Business

FROM: Nick Haggenmiller, City Administrator

BACKGROUND: The city council is asked approve the purchase agreement to sell real property associated with the development of 12 single family villas in Terning Trails Plat #2 to RBI Group LLC. This entity approached the City following the departure of the original developer.

The property is being platted but presently is an outlot owned by the City of Howard Lake consisting of about 5 acres of land. Once the plat is completed there will be about 4 acres and 12 single family parcels with dedicated public right of way for streets and trails. The plat also has a parcel set aside for a proposed child care center.

TERMS

The purchase agreement drafted calls for a per parcel sales price of $6,000. This a reduction of $4,000 per parcel from previous purchase agreement discussions from the previous developer who pulled out of the project.

In this instance, the developer sites tight margins and requested the reduction. While not ideal, the developer is also intending to construct 12 units to be rental-occupied. Doing so, will generate about 30% more TIF revenue that will account for the gap, otherwise.

The agreement stipulates a build out schedule of at least three units per year to avoid default. In order to ensure the TIF Plan and related debt service is adequate, the City, County and developer will be asked to entire into a minimum assessment agreement per property of $209,000 per unit.

DECISION MAKING METRICS:

FINANCIAL: A breakdown of associated development charges is summarized above. If a more detailed breakdown is desired, please request through the city administrator's office. It is noted that the purchase price as well as the TIF proceeds are needed to satisfy associated debt with the development.

LEGAL: The purchase agreement was drafted by the city attorney, Couri and Ruppe.

STRATEGIC PLAN:

Strategic Objective:	Develop a Livable Community For All.
Goal:	Promote Diverse & Quality Housing Stock for All Ages

COUNCIL ACTION REQUESTED: Council is asked to approve the purchase agreement, provided there are no material or substantive changes prior to final terms and direct the city administrator/clerk and mayor to execute all related documents and agreements.

ATTACHMENTS:

1. Purchase Agreement

AGREEMENT FOR PURCHASE AND SALE OF
PROPERTY TO BE PLATTED AS THE VILLAS OF HOWARD LAKE
THE CITY OF HOWARD LAKE, WRIGHT COUNTY, MINNESOTA

THIS AGREEMENT ("Agreement"), effective ______, 2020, ("Effective Date") is made by and between The City of Howard Lake, a municipal corporation under the laws of the State of Minnesota ("Seller"), and RBI Group LLC, a limited liability company under the laws of the State of Minnesota, its successors and assigns ("Buyer").

RECITALS

WHEREAS, Seller owns certain real property located in the City of Howard Lake, Wright County, Minnesota, currently consisting of those portions of Outlot D, Terning Trails Plat 2 as depicted on Exhibit "A" hereto, to be platted into twelve lots in Block 1 of the proposed plat of the Villas of Howard Lake and further identified in Article 1.5 below ("Property"); and

WHEREAS, Buyer desires to purchase Seller's Property as depicted on Exhibit "A", on which Buyer intends to construct 12 housing units.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

For the purposes of this Agreement the following terms shall have the meanings set forth in this Article I:

1.1 **Buyer's Site Plan**. The term "Buyer's Site Plan" shall mean the Site Plan attached to this Agreement as Exhibit "B" as may be amended by Buyer and approved by Seller.

1.2 **Closing Date**. The term "Closing Date" shall refer to the date on which Buyer takes title to one or more lot(s). The first Closing Date, on which Buyer shall take title to two initial lots in Block 1, Villas of Howard Lake, shall take place on no later than September 15,

2020. Each calendar year after 2020 Buyer shall take title to at least two additional lots in Block 1, Villas of Howard Lake, and shall have taken title to all lots in said Block 1 by December 31, 2025.

1.3 **Laws and Restrictions**. The term "Laws and Restrictions" shall mean all applicable federal, state, local, and other laws, regulations, codes, orders, ordinances, rules, permits, approvals, conditions, regulations and statutes, and all restrictive covenants, conditions and restrictions (if any) and other title encumbrances, affecting all or any part of the Property.

1.4 **Permitted Encumbrances**. The term "Permitted Encumbrances" shall mean (i) utility easements shown on the proposed preliminary plat attached as Exhibit F to this Agreement; (ii) reservation of any mineral rights by the State of Minnesota; (iii) building and zoning laws, ordinances, and state and federal regulations; (iv) the lien of real estate taxes and installments of special assessments not yet due and payable, as further described in this Agreement; (v) such other exceptions to title or encumbrances, if any, which are approved by Buyer pursuant to Article VI below.

1.5 **Property**. The term "Property" shall mean the real property depicted as Lots 1 through 12, Block 1 of the proposed plat of Villas of Howard Lake attached as Exhibit A.

1.6 **Title Commitment**. The term "Title Commitment" shall mean a title commitment with respect to the Property to be issued by the Title Company pursuant to Article VI below.

1.7 **Title Company**. The term "Title Company" shall mean Scott County Abstract & Title Co., Inc., 223 South Holmes Street, Shakopee MN 55379.

ARTICLE II
PURCHASE PRICE/ADJUSTMENTS/
PAYMENT/EARNEST MONEY/ PRORATIONS

2.1 **Purchase Price**. Buyer shall pay to Seller, as consideration for the conveyance of the Property, $6,000 per lot, plus the undertakings of Buyer as set forth in this Agreement, the ("Purchase Price"), subject to adjustments, prorations and allocations, as hereinafter provided.

2.1.1 **Earnest Money**. Within three (3) business days after the Effective Date, Buyer will pay and deliver to the Title Company the sum of Six Thousand and No/100 dollars ($6,000.00) (the "Earnest Money"). The Title Company shall hold the Earnest Money in a trust account for the mutual benefit of the parties in accordance with the provisions of this Agreement. The Earnest Money shall be applied toward the Purchase Price on the first Closing Date.

2.1.2 **Balance of Purchase Price**. The balance of the Purchase Price for each lot, as increased or decreased by any and all other adjustments set forth in this Agreement, shall be paid by wire transfer of immediately available funds on the applicable Closing Date (as defined herein).

2.2 **Prorations and Allocations**. Seller and Buyer shall make the following prorations and allocations at the Closing for each lot:

2.2.1 **Real Estate Taxes and Special Assessments**.

2.2.1.1 **Real Estate Taxes**. General real estate taxes (i) payable in the year prior to the year of closing and all prior years will be paid by Seller, (ii) payable in the year of closing shall be prorated by Seller and Buyer as of the Closing Date, based upon a calendar year; (iii) payable in the year following the year of closing shall be paid by Buyer; and (iv) Seller shall pay all "Green Acres" and other deferred taxes and charges, if any.

2.2.1.2 **Special Assessments**. Seller shall pay all special assessments levied on the Property as of the date of this Agreement. Buyer shall assume all special assessments levied after the date of this Agreement, subject to the terms and conditions contained in this Agreement.

2.2.2 **Title Insurance**. Seller shall pay the title insurance commitment fee and costs of correcting title as provided in Article 6.2.2; and Buyer will pay all costs of the owner's Title Policy and all supplements and endorsements thereto that Buyer desires but is not part of cost of correcting title.

2.2.3 **Deed Tax**. Seller shall pay all state deed tax regarding the Warranty Deeds to be delivered by Seller pursuant to this Agreement.

2.2.4 **City Fees**.

2.2.4.1 **SAC and WAC Charges.** Buyer shall pay applicable sewer access charges ("SAC") or water access charges ("WAC") at such time as Buyer applies for a building permit for each lot. Buyer shall pay such charges according to the schedule set forth in the City of Howard Lake ordinances in effect at the time such building permit is applied for, except that City will provide a $5,000 credit at the issuance of building permit to offset standard building permit, SAC and WAC charges provided the buyer has not breached the terms of this agreement with respect to said lot and failed to cure such breach within the cure period, if any.

2.2.4.2 **Other City Fees.** The Buyer shall pay building permit and other fees required by City Ordinance in connection with Buyer's development of the Property at the time such fees are due per City ordinance. However, Buyer shall not be required to pay park dedication fees on the Property.

2.2.5 **Attorneys' Fees**. Each of the parties will pay its own attorneys' fees in all matters involving this Agreement.

2.2.6 **Other Closing-Related Costs**. The parties shall share equally the fees charged by the Title Company to close the transaction and other closing-related costs, if any, shall be paid in accordance with generally accepted customs and practices for similar transactions in Wright County, Minnesota.

ARTICLE III
ACCESS TO PROPERTY, INDEMNITY, REPORTS, SURVEY AND GRADING PLAN

3.1 **Access to Property/Indemnity**. Seller hereby authorizes Buyer and Buyer's representatives to access the Property for the express purpose of making such inspections, tests and verifications as they deem reasonably necessary. Buyer (i) shall pay all costs and expenses of such investigations, tests or verifications; and (ii) shall indemnify and hold Seller and the Property harmless from all losses, liabilities, cost and expenses caused by the activities of Buyer and/or its representatives. Buyer shall not be liable for conditions disclosed during Buyer's investigation of the Property.

3.2 **Reports**. Within five (5) business days after the Effective Date, Seller shall provide Buyer, without cost to Buyer, with copies of all studies and reports in the possession of Seller relating to environmental status, soil tests, and any other information regarding the environmental and soil conditions of the Property. Buyer shall provide Seller, without cost to Seller, with copies of all reports generated or purchased by Buyer or its representatives in connection with any tests, inspections or verifications involving the condition of the Property.

ARTICLE IV
CONDITIONS PRECEDENT TO CLOSING/TERMINATION

The Closing hereunder shall be conditioned upon Buyer's satisfaction or written waiver of each of the following ("Conditions Precedent") within the times hereinafter provided:

4.1 By the Closing Date Seller shall have provided to Buyer the following:

4.1.1 marketable title to the Property, subject only to the Permitted Encumbrances;

4.1.2 a final, fully executed and recorded plat of the Property;

4.1.3 Plan Approval. Seller shall have approved Buyer's Site Plan including the issuance of all necessary approvals (except building permits), if any, required under the City's Zoning Ordinance to allow the construction of the residential buildings to be located in Block 1 of Villas of Howard Lake as shown on the attached Exhibit B. Buyer shall timely apply for Site Plan approval and all other required approvals.

4.2 **Establishment of Housing TIF.** By the date of Closing, Seller shall have established a Housing Tax Increment Financing District under Minnesota State Law in which all lots in Block 1 of the Villas of Howard Lake are included in such district.

4.3 **Due Diligence**. Buyer shall have determined that the condition of the Property is acceptable to Buyer, in Buyer's sole discretion, based on all inspections, tests, verifications, and reports obtained by Buyer pursuant to Article III.

4.4 **Termination**. This Agreement shall continue in full force and effect unless terminated within the following times:

4.4.1 **By Buyer**. If all of the Conditions Precedent in Article 4 have not been timely satisfied or waived in writing, then this Agreement may be terminated, at the option of Buyer, by written notice prior to the Closing Date.

4.4.2 **Effects of Termination**. Upon any such termination under this paragraph 4.4, the Earnest Money will be refunded to Buyer and neither party will have any further rights or obligations regarding this Agreement or the Property and no further action shall be brought or maintained herein, excepting only Buyer's obligation to provide Seller with a quit claim deed and/or cancellation agreement as provided in Article 15.6 and the indemnification obligations contained in Article 3.1.

ARTICLE V
REPRESENTATIONS AND WARRANTIES, COVENANTS, AND INDEMNIFICATION

5.1 **Representations and Warranties by Seller**. Seller represents and warrants to Buyer as follows:

5.1.1 **Authority**. Seller is duly organized and qualified to transact business in the State of Minnesota; Seller has the requisite corporate power and authority to enter into and perform this Agreement.

5.1.2 **Hazardous Substances**. Seller has no knowledge of hazardous substances on the Property.

5.1.3 **Wells; Tanks; Septic Systems**. Seller has no knowledge of any wells, underground storage tanks or abandoned septic systems located on the Property.

5.1.4 Seller shall finish the installation of all improvements to the Property, including but not limited to water, sanitary sewer, storm sewer, streets, gutters, and sidewalks, as detailed in the plans and specifications approved on file with the City Clerk and dated July 19, 2019. Seller shall pursue such installation with diligence until completed, except that it may delay the final lift of bituminous road surface until construction is finished on all homes on all lots making up the Property.

5.2 **Buyer's Express Representations and Warranties**. Buyer represents and warrants as follows:

5.2.1 **Building Construction.** Buyer acknowledges that the Seller will establish a tax increment financing district ("TIF District") over the Property and will capture the tax increment generated by the construction of the residences and planned for the Property and a potential daycare establishment planned for Lot 1, Block 2 of the plat attached as Exhibit A hereto. Buyer shall construct the residential buildings depicted on Exhibit C on the Property in the locations shown on the Site Plan attached as Exhibit B. Buyer shall commence construction of at least two of the residential structures by October 15, 2020, and shall construct at least two of the residential structures each year thereafter, with all structures being completed by December 31, 2025.

5.2.2 **TIF Qualified Buyers.** Upon completion of each residential building, Buyer shall either: 1) sell such building and lot to a person or persons who will occupy the premises and whose family income is less than or equal to the income requirements for qualified mortgage bond projects under Section 143(f) of the Internal Revenue Code, in which case the Seller shall satisfy the special assessment on such lot; or 2) sell such building and lot to a person or persons who do not meet the requirements set forth in subpart 1 of this paragraph 5.2.2, in which case Buyer shall cause all outstanding special assessments on such sold lot to be paid at the time Buyer sells such lot to a third party; or 3) lease such lot to a person in accordance with the requirements of paragraph 5.2.3 of this Agreement. Buyer understands that Buyer's observance of this representation is necessary for Seller to recover the cost of the land and improvements it has invested in the Property via the TIF district that Seller will establish on the Property or via the special assessments Seller shall levy on the property.

5.2.3 **TIF Qualified Lessees.** If the Buyer retains ownership of one or more of the completed residential buildings and leases them for residential use ("Buyer's Rental Properties"), the Buyer shall lease no less than 20% of Buyer's Rental Properties to a person or persons whose household income is at or below 50% of the area median income (as determined by the U.S. Department of Housing and Urban Development based on family size), or lease 40% of Buyer's Rental Properties to a person or persons whose household income is at or below 60% of such area median income. In the event Buyer leases any of Buyer's Rental Properties, Buyer shall annually certify to the City that the proper percentage of such tenants meet one of the two income tests set forth in this paragraph 5.2.3. Upon proper certification by Buyer that it has met one or the other of such percentage rental tests as set forth in this paragraph 5.2.3 for a particular year, the City shall, upon collection of tax increment attributable to Buyer's Rental Properties, reduce the outstanding special assessments on Buyer's Rental Properties by the amount of tax increment that the City collected on Buyer's Rental Properties for the year such certification corresponds to the collected tax increment. The special assessments on Buyer's Rental Properties shall remain deferred so long as one of the rental test set forth in this paragraph are met. If such rental tests are not met in any given year, the assessments shall no longer be deferred in the following tax years, and installments of such assessments certified for payment with real estate taxes shall be paid when due, until one of such rental tests is again met.

5.2.4 **Additional Representations.** In addition to the representations and warranties contained elsewhere in this Agreement, Buyer hereby represents and warrants, that Buyer is duly organized in Minnesota and is in good standing under the laws of the State of Minnesota; Buyer has the requisite power and authority to enter into this Agreement and to execute and deliver Buyer's Closing Documents.

5.2.5 **Planned Unit Development Regulations.** Developer understands that the Property is governed by a Planned Unit Development zoning ordinance attached hereto as Exhibit E. Developer agrees to adhere to the requirements of such ordinance in constructing homes on the Property.

ARTICLE VI
TITLE EXAMINATION

Examination of title to Property will be conducted as follows:

6.1 **Title Commitment**. Prior to closing, Seller shall obtain and deliver to Buyer a title commitment for Seller's Property ("Title Commitment") from the Title Company for an Owner's Policy of Title Insurance in the amount of the purchase price, together with all documents shown as exceptions in said Title Commitment wherein the Title Commitment will commit the Title Company, after the Property is platted, to insure Buyer's title to the Property at the Closing, subject only to Permitted Encumbrances.

6.2 **Title Examination**.

6.2.1 **Objections**. Buyer shall have fourteen days after it has received (i) the Title Commitment; and (ii) all documents shown as exceptions therein; to make written objections to title of the Property ("Objections") and the failure by Buyer to make any such Objections within such time period will constitute a waiver of all Objections.

6.2.2 **Cure of Objections/Non-Cure Notice**. Seller will have thirty (30) days after receipt of any Objections to cure the Objections; provided, however, that if Seller gives Buyer written notice (a "Non-Cure Notice") within ten (10) days after receipt of such Objections that Seller cannot or will not cure specified Objections, then this Agreement shall terminate and all of the earnest money shall be refunded to Buyer, unless within ten (10) days after receiving the Non-Cure Notice Buyer gives Seller written notice that Buyer is waiving the Objections specified in the Non-Cure Notice, which items or matters subject to the Objection(s) shall then also become a Permitted Encumbrance(s). In any event, Seller shall cure at Closing any title objections relating to mortgages or liens that can be cured by the payment of money.

ARTICLE VII
SELLER'S CLOSING DOCUMENTS.

On the Closing Date, Seller will deliver to Buyer the following (collectively, "Seller's Closing Documents"):

7.1 **Deed**. A General Warranty Deed conveying fee title to the Property to Buyer, free and clear of all encumbrances, except the Permitted Encumbrances, in a form reasonably acceptable to the Buyer and the Title Company.

7.2 **Title Documents**. An Affidavit of Seller stating that on the Closing Date there are no outstanding, unsatisfied judgments, tax liens (other than special assessments as set out in section 9.1) or bankruptcies against or involving Seller or the Property; and that there are no other unrecorded interests in the Property and such other Affidavits and documents as may be reasonably required by Title Company or Buyer in order to record Seller's Deed and issue the Title Policy required by this Agreement.

7.3 **Other Documents**. Such other documents as the Title Company or Buyer shall reasonably request to implement the within described transaction.

ARTICLE VIII
BUYER'S CLOSING DOCUMENTS

On the Closing Date, Buyer will deliver to Seller the following (collectively, "Buyer's Closing Documents"):

8.1 **Purchase Price**. The full purchase price, less the Earnest Money, by wire transfer of U.S. funds, or by certified check (or other immediately available funds) to be payable to Seller or to Seller's account or as Seller may otherwise direct.

8.2 **Other Costs and Expenses**. Payment for all other costs and expenses to be paid by Buyer pursuant to this Agreement.

8.3 **Minimum Assessment Agreement.** A minimum assessment agreement for each lot purchased from Seller or to be purchased from Seller in the amount of $205,000 per lot. The form of said minimum assessment agreement is attached hereto as Exhibit D and shall be recorded against the property records at the Wright County Recorder's Office. Said minimum assessment agreement shall act as additional security to ensure that the TIF generates the amount of tax increment the Seller needs to defray its costs in the Property.

8.4 **Other Documents**. Such other documents as the Title Company or Seller shall reasonably request to implement the within described transaction.

ARTICLE IX
SPECIAL ASSESSMENTS

9.1 **Imposition of Special Assessments.** After the execution of this Agreement, Seller shall specially assess Lots 1-12, Block 1, Villas of Howard Lake in the amount of $39,000 per lot to recover Seller's costs involved in developing said lots.

9.1.1 **Special Assessments.** After the execution of this Agreement, Seller shall special assess Lots 1-12, Block 1, Villas of Howard Lake in the amount of $39,000 per lot for the utility improvements, street improvements, grading, and development costs incurred by Seller in developing the Property. Buyer agrees to the imposition of such special assessments in said amounts, and waives all right to appeal such special assessments to the Wright County District Court pursuant to Minn. Stat. § 429.081 or pursuant to any Constitutional or statutory right, and Buyer waives any procedural irregularities that may occur in the assessment process. Such special assessments shall be levied over a 20-year period and shall bear interest at 5% per annum. The payment of these special assessments shall be deferred by the Seller so long as the Seller owns such lots, for the first two years that Buyer owns such lots, and for such additional periods as provided in paragraph 5.2.3 of this Agreement, but interest shall accrue on said special assessments during the deferral period. Said special assessments in the amount of $39,000 per lot shall constitute Buyer's only obligation for any and all construction, engineering, legal, financial, park dedication, trunk line fees and development costs incurred by the Seller related to the Property or the platting of the Property.

9.2 **Payment or Release of Special Assessments.**

9.2.1 **Upon Sale of Lots.** Upon sale of any lot in Block 1 to a third party by Buyer, Buyer shall cause to be paid the outstanding balance of special assessments on such lot, after reduction of such special assessments pursuant to paragraph 5.2.2 and paragraph 5.2.3 of this Agreement.

9.2.2 **Annual Payment of Special Assessments.** Buyer shall annually pay all special assessments when due on the Property unless such special assessments remain deferred pursuant to paragraph 9.1.1 of this Agreement.

ARTICLE X
TAX INCREMENT FINANCE

Seller shall establish a housing Tax Increment Financing District (TIF) over the Property. Seller shall retain all tax increments generated by the TIF and intends to use such proceeds to defray Seller's cost of land and improvements related to the Property. In order to ensure that the TIF generates sufficient revenue to defray such costs, Buyer agrees that it shall consent to that minimum assessment agreement attached as Exhibit D to this Agreement. Such minimum assessment agreement shall be recorded against the Property in the Wright County Recorder's Office.

ARTICLE X1

OMITED

ARTICLE XII
BROKER'S COMMISSION

Seller represents and warrants that it has not engaged any broker to represent it on this transaction. Buyer represents that it has engaged a broker to represent it on this transaction, and Buyer agrees that any fee or commission charged by such broker shall be the sole obligation of Buyer and shall not be the responsibility of Seller.

ARTICLE XIII
ASSIGNMENT

Buyer may assign its rights and obligations under this Agreement to a third party without the prior written notice to the Seller. Any such assignment will relieve such assigning party of its obligations under this Agreement.

ARTICLE XIV
NOTICES

All notices, demands, consents, requests, or other communications provided for or permitted to be given pursuant to this Agreement shall be in writing and shall be sent to the address set forth below for the receiving party by any of the following means: (i) personal service; (ii) courier; or (iii) if being delivered or sent to an address that is within the same country from which the notice is being sent, by certified (or equivalent) or registered mail, postage prepaid, return receipt requested. Notice shall be effective upon delivery if by personal service or courier, and two (2) days after deposit with the U.S. Postal Service if sent by mail.

If to Seller:	The City of Howard Lake P.O. Box 736 Howard Lake, MN 55349
and a copy to:	Couri & Ruppe Law Office P.O. Box 369 705 Central Avenue NE St. Michael, MN 55376
If to Buyer:	RBI Group LLC 4413 Venture Avenue Duluth, MN 55811
and a copy to:	Hellmuth & Johnson Attn: Michael D. Klemm 8050 West 78th Street Edina MN 55439

ARTICLE XV
MISCELLANEOUS

15.1 **Force Majeure**. Any prevention, delay, or stoppage because of strikes, lockouts, other labor disputes, material shortages, embargoes, civil unrest, governmental regulations, enemy or hostile governmental action, judicial order, public emergency, weather, fire, earthquake, other Acts of God, and other causes beyond the reasonable control of the party obligated to perform, will extend the period for performance of any act required by a party (except for payment obligations imposed pursuant to this Agreement), including the time required for satisfaction of any condition, for the period of the delay provided, however (i) the unavailability of financing shall not qualify for force majeure treatment and (ii) Seller shall give reasonable written notice to Buyer of the occurrence causing such delay and shall include in such notice the date by which the delayed obligation will be performed.

15.2 **Counterparts**. This Agreement may be executed in one or more counterparts; all so executed shall constitute one contract.

15.3 **Construction**. This Agreement shall be governed by and construed under the laws of the State of Minnesota. All captions in this Agreement are for reference only.

15.4 **Time**. Time is of the essence in the performance of the parties' respective obligations set forth in this Agreement.

15.5 **No Merger**. The obligations, covenants, representations, and warranties, and the remedies for breach thereof, set forth in this Agreement shall survive the closing and shall not merge with transfer of title but shall remain in effect until fulfilled.

15.6 **Confirmation of Termination**. If this Agreement terminates, Buyer agrees to execute and deliver to Seller a quit claim deed for the Property.

15.7 **Location of Closing**. The Closing shall take place at the Howard Lake City Hall or at such other place as may be agreed to by the parties.

15.8 **Binding Effect**. This Agreement binds and benefits the parties and their successors and assigns.

15.9 **Remedies**.

15.9.1 **Buyer's Default Prior to Closing.** If Buyer defaults under this Agreement prior to Closing, Seller shall notify Buyer of such default and Buyer shall have 30 days to cure such default. If Buyer fails to cure such default within 30 days of the date of such notice and there has been no default by Seller under this Agreement, then as Seller's sole and exclusive remedy, Seller may terminate all of Buyer's rights under this Agreement and retain the Earnest Money as liquidated damages. The parties agree that in the event of default by Buyer, subject to the expiration of the cure period above, Seller's damages will be difficult or impractical to ascertain and the Earnest Money will be deemed to constitute a reasonable estimate of Seller's damages and shall not be deemed to constitute a forfeiture or penalty. Seller shall not have the right to recover any other damages of any kind from Buyer or to obtain other equitable adjustment to the terms of the sale of the Property. In the event of such termination, Buyer shall execute a release of this Purchase Agreement.

15.9.2. **Seller's Default Prior to Closing.** If Seller defaults under this Agreement prior to Closing, Buyer may terminate this Agreement upon 30 days' written notice to Seller (Seller having cure rights during the 30-day period). If Seller fails to cure such default within said 30 days of the date of such notice and there has been no default by Buyer under this Agreement, then at Buyer's election, (i) Buyer may seek specific performance of this Agreement, or (ii) this Agreement will terminate and the Earnest Money shall be refunded to Buyer.

15.9.3 **Default After Closing.** If either Buyer or Seller defaults in the performance of any obligation to be performed after Closing under this Agreement, the non-defaulting party shall have all remedies available for such default, at law or in equity.

ARTICLE XVI
ENTIRE AGREEMENT; NO MODIFICATIONS

16.1 **Recording at Recorder's Office.** This Agreement shall be recorded at the Wright County Recorder's Office and shall bind the heirs, successors and assigns of the parties to this Agreement.

16.2 **Entire Agreement.** This Agreement, together with the attached exhibits, constitutes the entire agreement of the Seller and Buyer with respect to the purchase and sale of the Property. This Agreement may not be modified or amended except in a writing signed by Seller and Buyer.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement the day and year first above written.

SELLER:
The City of Howard Lake
a Minnesota municipal corporation

____
Peter Zimmerman, Mayor

____
Nick Haggenmiller, City Administrator/Clerk

STATE OF MINNESOTA)
) SS.
COUNTY OF WRIGHT)

The foregoing instrument was acknowledged before me this _______day of ________, 2020, by Peter Zimmerman, the Mayor of the City of Howard Lake, a statutory City, on behalf of the City.

____
Notary Public

STATE OF MINNESOTA)
) SS.
COUNTY OF WRIGHT)

The foregoing instrument was acknowledged before me this _______ day of _______, 2020, by Nick Haggenmiller the Howard Lake City Clerk, on behalf of the City.

____
Notary Public

BUYER:
RBI Group LLC

____
Alan L. Nelson, Chief Manager

STATE OF MINNESOTA)
) SS.
COUNTY OF ___________)

The foregoing instrument was acknowledged before me this _______ day of _______, 2020, by Alan L. Nelson, the Chief Manager of RBI Group LLC, a limited liability company under the laws of the State of Minnesota.

____
Notary Public

Document drafted by:
Mike Couri
Couri & Ruppe, P.L.L.P.
P.O. Box 369
St. Michael, MN 55376
763-497-1930

Exhibit A

Villas of Howard Lake plat

Exhibit B

Buyer’s Site Plan

Exhibit C

Buyer’s Building Plans

Exhibit D

Minimum Assessment Agreement form

Exhibit E

Planned Unit Development Ordinance