



*Our Mission is to Provide Quality Public Services in a  
Fiscally Responsible Manner While Preserving the  
City's Open Space Character*

## **NOTICE OF MEETING**

**City of Lake Elmo  
3800 Laverne Avenue North  
City Council Meeting  
Tuesday, November 7, 2012 7:00 P.M.**

**\*Note: The City Council will interview Planning Commission  
Candidates beginning at 6:15 P.M.**

## **AGENDA**

- A. CALL TO ORDER**
- B. PLEDGE OF ALLEGIANCE**
- C. ROLL CALL**
- D. APPROVAL OF AGENDA**
- E. ORDER OF BUSINESS/GROUND RULES**
- F. ACCEPT MINUTES**
  - 1. Accept October 16, 2012 City Council Minutes
- G. PUBLIC COMMENTS/INQUIRIES**
- H. PRESENTATIONS**
  - MnDOT Presentation on the 2013 Hilton Trail Interchange/  
DeMontreville Trail J-Turn Project
- I. CONSENT AGENDA**

*Note: Items listed under the Consent Agenda will be enacted by one  
motion with no separate discussion. If discussion on an item is  
desired, the item will be removed from the Consent Agenda for  
separate consideration.*

2. Approve Payment of Disbursements and Payroll
3. Post-Issuance Tax Compliance Procedures for Tax Exempt Bonds
4. 2012 Crack Seal Project - Pay Request No. 1 (Final)
5. Approve Resolution 2012- XX State of Minnesota Redevelopment Grant Program – A Resolution Accepting the DEED Water System Infrastructure Grant
6. Keats MSA Street and Trunk Watermain Improvements - Approve Engineering Design and Construction Support Services Contract
7. Accept Resignation of City Clerk Sandy Thone, and Appoint Adam Bell as City Clerk; Resolution 2012-XX

**J. REGULAR AGENDA**

8. Approve Conditional Use Permit for grading project at 9242 Hudson Boulevard; Resolution 2012-XX
9. Library Board Appointments

**K. NEW BUSINESS**

10. Request for Connection to 32<sup>nd</sup> Street 201 System

**L. SUMMARY REPORTS AND ANNOUNCEMENTS**

- Mayor and Council
- Administrator
  - City of Lake Elmo 2013 Plan of Work
  - City of Lake Elmo Standard Operating Guidelines
- City Attorney
- City Engineer
- Planning Director
- Finance Director

**M. Adjourn**

**LAKE ELMO CITY COUNCIL MINUTES  
OCTOBER 16, 2012**

**CITY OF LAKE ELMO  
CITY COUNCIL MINUTES  
OCTOBER 16, 2012**

Mayor Johnston called the meeting to order at 7:00 P.M.

**PRESENT: Mayor Johnston, Council Members Emmons, Smith, Pearson, and Park.**

Also Present: City Administrator Zuleger, City Attorney Snyder, City Engineer Griffin, Finance Director Bendel, Planning Director Klatt, and City Clerk Thone.

**APPROVAL OF AGENDA**

*MOTION: Council Member Emmons moved to approve the October 16, 2012 City Council Agenda as presented. Council Member Pearson seconded the motion. **Motion passed 5-0.***

**ACCEPT MINUTES**

**ITEM 1: THE OCTOBER 2, 2012 CITY COUNCIL MINUTES WERE APPROVED AS PRESENTED BY CONSENSUS OF THE CITY COUNCIL.**

**PUBLIC COMMENTS/INQUIRIES:**

**Tony Hernandez** – Candidate for U.S. House of Representatives, 4<sup>th</sup> Congressional District, spoke to the council about his campaign. After providing a brief summary of his personal and professional background, he presented his position on several issues and expressed his desire to go to Washington, DC and work for Minnesota families. Mr. Hernandez gave an overview of the new district boundaries, and answered a question from the mayor on his approach to funding local infrastructure improvements.

**Dave Moore**, 8680 Stillwater Boulevard, spoke on the Keats Avenue Street and Watermain improvements topic. He asserted that the city's water problems were due to the 3M litigation. He inquired why about five years ago the city attorney at the time was instructed that the matter would be "handled in-house." He also noted that all the proceedings are of record and expressed his displeasure with the way the issue has been handled.

**PRESENTATIONS:**

**QUALITY STAR RECOGNITION – Mark Duddeck**

City Administrator Zuleger presented the Quality Star Award to Mark Duddeck of Lake Elmo Public Works. Mr. Zuleger explained the purpose of the award is to recognize those in the city and community who go above and beyond. He expressed appreciation for Mark's commitment to the City of Lake Elmo.

**CONSENT AGENDA**

2. Accept Financial Report dated September 30, 2012

**LAKE ELMO CITY COUNCIL MINUTES  
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3. Accept Building Permit Report dated September 30, 2012
4. Approve Payment of Disbursements and Payroll of \$589,321.72
5. Resolution 2012-52 Approving City Elected Official and Appointed Board/Commission Members' Code of Conduct Policy
6. 2012 Street and Water Quality Improvements – Change Order 1
7. 2012 Street and Water Quality Improvements – Pay Request 2
8. Approval of HVAC System for Annex and Maintenance Agreement for City Facilities

*MOTION: Council Member Pearson moved to approve the Consent Agenda as presented. Council Member Park seconded the motion. **MOTION PASSED 5-0.***

**REGULAR AGENDA**

**ITEM 9: APPROVAL OF DAMON FARBER & ASSOCIATES PLANNING/THEMING AGREEMENT**

City Administrator Zuleger explained that a key component in the land use planning process is creating a synergy or "theme" between the three distinct planning areas within the City of Lake Elmo – the open space areas, the Old Village, and the I-94 corridor. Achieving a common theme that reflects the open space character/nature of Lake Elmo is one way to achieve and maintain a cohesive, unified community.

Earlier this month, Damon Farber & Associates, an award-winning landscape architecture/planning and design firm, met with the Old Village Workgroup to determine the suitability of purpose/fit and the following week provided a pro bono consultation on a walk-through of the Old Village. It was noted that City Administrator Zuleger has worked with Damon Farber & Associates in the past with great success during his tenure in Weston, WI.

A discussion was had over the cost of the planning/theming work. Council directed staff to recoup the \$27,500 in theming costs when future development takes place.

*MOTION: Council Member Smith moved to approve the **AGREEMENT TO COMMISSION DAMON FARBER & ASSOCIATES TO PERFORM WORK ON PLANNING/THEMING.** Council Member Park seconded the motion. **MOTION PASSED 5-0.***

**ITEM 10: CONDITIONAL USE PERMIT APPROVAL FOR THERAPEUTIC MASSAGE AT 11200 STILLWATER BOULEVARD**

Planning Director Klatt provided an overview of the conditional use permit application by Mr. Aaron Koen for therapeutic massage at 11200 Stillwater Boulevard. Under current zoning ordinances, therapeutic massage is allowed as a conditional use in the General Business (GB) zoning district.

Mr. Klatt explained the CUP evaluation process, which includes: 1. Effects on the health, safety, morals, convenience, or general welfare of surrounding lands; 2. Traffic and parking conditions; 3. Effects on utility and school capacities; 4. Effect on property values of the surrounding lands; and 5.

## LAKE ELMO CITY COUNCIL MINUTES

### OCTOBER 16, 2012

Effect of the proposed use on the Comprehensive Plan. After evaluation of the proposed use against these criteria, Staff determined that all criteria were met.

It was explained that staff believes a licensing approach for therapeutic massage regulation would be more appropriate than through the conditional use permit process. A licensing structure would allow the city to attain the desired level of regulation to ensure community safeguards and quality local business practices. A public hearing is scheduled for November 14<sup>th</sup> to discuss the zoning text amendment.

Discussion was had over whether to grant the CUP versus waiting until the licensing structure was in place. Mr. Klatt noted that the applicant chose to go thru CUP process instead of waiting for the license process was implemented because he wanted the business operational as soon as possible. The date when a licensing structure would be ready is not yet known.

Because the applicant has already gone through the CUP process, Council determined that it would be reasonable to waive the initial annual licensing fees when the licensing structure exists.

*MOTION: Council Member Smith moved to **APPROVE RESOLUTION 2012-53 PERMITTING THE CONDITIONAL USE PERMIT AS AMENDED TO INCLUDE THAT THE BUSINESS OWNER WILL OBTAIN A MASSAGE LICENSE WHEN THE ORDINANCE TAKES EFFECT OR PROCESS BECOMES AVAILABLE AND THAT THE FEES WILL BE WAIVED FOR THE INITIAL ANNUAL LICENSING PROCESS.** Council Member Park seconded the motion. **MOTION PASSED 5-0.***

[Video returns]

#### **ITEM 11: RESOLUTION 2012-54 APPROVING THE LAKE ELMO EMPLOYEE HANDBOOK.**

City Administrator Zuleger highlighted some of the notable changes to the 2004 document:

Columbus Day has been removed as a holiday; compensatory time has been changed to require use and minimize staff shortage; overtime and call in time have been narrowly defined to mitigate abuse; a code of conduct has been adopted to improve professionalism; standard operating policies in the area of decorum and personal welfare have been defined; the Lake Elmo benefit package is defined and eligibility qualified; and a performance review and progressive discipline process has been developed. A comprehensive HIPAA policy also was added.

It was pointed out that the handbook would be brought to the council one or two times per year for updates and review. Mr. Zuleger explained that the document was reviewed and approved by the City Attorney. He also noted that one purpose for the new handbook is to provide employees clear expectation for reviews.

A discussion was had where Mr. Zuleger explained why some of the changes were made, including holidays, overtime, and compensatory time. He also stated his preference for defined vacation, sick, and holiday time as opposed to paid time off. Mr. Zuleger noted that upon adoption, this handbook and its policies will become effective immediately.

**LAKE ELMO CITY COUNCIL MINUTES  
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*MOTION: Council Member Smith moved to approve **RESOLUTION 2012-54 APPROVING THE CITY OF LAKE ELMO EMPLOYEE HANDBOOK EFFECTIVE OCTOBER 17, 2012 AS THE BASELINE PERSONNEL POLICY OF THE MUNICIPALITY. FURTHER, THE CITY COUNCIL AFFIRMS THAT THE EMPLOYEE HANDBOOK BE REVIEWED AND MODIFIED AS NEEDED, BUT NO LESS THAN (1X) PER YEAR, TO KEEP THE DOCUMENT RELEVANT AND COMPLIANT.** Council Member Park seconded the motion. **MOTION PASSED 5-0.***

**NEW BUSINESS**

**C. LIBRARY UPDATE**

**1. Library Board Applications**

City Administrator Zuleger explained that former librarian Olivia Moris had resigned for reasons including the low number of available hours. Mr. Zuleger reported that there were three applicants for the two vacant board positions and one alternate position. The openings were advertised on the city's website, Facebook, and the Oakdale-Lake Elmo Review. Because all three applicants are known to the Council, the Council's options are to interview the three applicants and then make appointments or move to appoint without interviewing the applicants.

Mayor Johnston explained that due to the library board officer elections coming in January, it is important to act for the boards benefit. It was his intention of placing the library board items on the agenda to decide how the appointments would be made.

Council Member Smith expressed her preference on not making the appointments tonight. It was her opinion that notice should be extended beyond the City's website and the Oakdale-Lake Elmo Review. The notice should be published in the Saint Paul Pioneer Press as well, due to the large readership of that publication in Lake Elmo. Ms. Smith also would like the positions to remain open until the first week of November in order to bring in more applications. She stated her belief that there were additional candidates who may be interested in applying but were not aware of the openings.

Mayor Johnston stated that he believed scheduling the appointment for the next council meeting on November 7, 2012 would be sufficient time to accomplish both the board's needs and address Council Member Smith's concerns. Council Member Park inquired if that timeframe was sufficient to publish the opening in the Pioneer Press and receive applications. City Administrator Zuleger confirmed that it would be sufficient time. He then stated that staff would try another round of soliciting applications.

Council Member Emmons suggested that it might be wise to use the suggested additional outlets for soliciting applications for other groups and commissions. The council agreed with him by consensus.

**LAKE ELMO CITY COUNCIL MINUTES  
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*MOTION: Mayor Johnston moved to **ADD LIBRARY BOARD APPOINTMENTS OF 1 ALTERNATE AND 2 RE-APPOINTMENTS TO THE AGENDA OF THE FIRST CITY COUNCIL MEETING IN NOVEMBER.** Council Member Park seconded the motion. **MOTION PASSED 5-0***

**2. Filling of Weis Board Position**

*MOTION: Council Member Emmons moved to **APPOINT FIRST ALTERNATE ROSEMARY MEIER TO FILL THE REMAINDER OF THE TERM VACATED BY LIBRARY BOARD MEMBER JENNA WEIS;** Council Member Pearson seconded the motion. **MOTION PASSED 5-0***

**3. Full Time Library Director Position / Goal Setting**

City Administrator Zuleger reported that at the last Library Board meeting there was a vote to proceed with hiring a full-time librarian and increase the hours to 40. The board also discussed holding a workshop to set goals. A major goal is to re-affiliate with Washing County's library system or have inter-library loan status.

Library Board Member Sarah Linder clarified that hiring the full-time librarian would lead to the library's increased hours, but that the increase in hours may not happen simultaneously with the hiring.

Council Member Smith inquired about the financial information that she had previously requested regarding the full-time librarian and the impact on the budget. Council Member Pearson and Finance Director Bendel responded that they have been going over the budget figures and the proposal is feasible. Ms. Smith reiterated that she would like to review all expenses from the inception. Mr. Zuleger confirmed that it would be provided to her.

Mayor Johnston inquired about a bond retirement schedule from Washington County, as the city is no longer paying into the county fund. Mr. Zuleger stated that staff should be able to obtain that from the county. Council Member Pearson stated that some of the money from the bonding was planned to be used for building improvements. Ms. Linder confirmed this and added that the board had factored in a full-time librarian with full city benefits as well as building improvements when discussing next year's budget. Future plans included expanding the library's footprint within the building as it becomes feasible.

**4. Future of Art Center**

City Administrator Zuleger explained that the initial intent of the purchase of the building was to control the land. At one point, the city considered razing the building, but then provided it as a facility for local artists and then as the interim library. Recent discussions have included possibly renting it out as a housing property, but that would require some upgrading of the facility. The main areas that need improvement are the bathroom and kitchen.

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A discussion was had regarding the impact on local artists' needs. Council Member Pearson expressed his opinion that due to the necessary improvements and associated costs, discussions about leasing it at this point was unwarranted. Council Member Smith noted that under the current proposals by the Village Workgroup, that area will include senior housing, and perhaps the subject land could be sold and included in that project.

City Administrator Zuleger reminded everyone that the library will be holding its Grand Opening event on October 20, 2012 and encouraged everyone to stop in and enjoy the festivities.

#### **SUMMARY REPORTS AND ANNOUNCEMENTS**

**Council Member Emmons** reported attending the Village Workgroup meeting, where representatives from Damon Farber & Associates presented their plans and took part in a walking tour of the Village.

**Council Member Smith** reported also attending the Village Workgroup and meeting with Damon Farber & Associates. She believes Jesse from Damon Farber will be very beneficial to the process and is eager to work with him.

**Council Member Park** – No Report

**Council Member Pearson** reported the truck committee met with the City of Woodbury and that the meeting was very positive. Woodbury is open to working with Lake Elmo to coordinate resources. City Administrator Zuleger added that that meeting was one of the better meetings with Woodbury that he has attended and there was discussion of creating a Regional Fire District that would include a goal of filling in equipment gaps throughout the surrounding communities. Mr. Pearson reiterated the quality of the meeting as well.

**Mayor Johnston** reported attending the library board meeting; the last Gateway Corridor meeting; The Mayor also offered to send all the documentation from the meetings he attends to the Council if members were interested in obtaining that information.

**City Administrator Zuleger** reported that Mitch Berg, the City of Bayport Administrator, is taking the lead in the Union-Pacific Railroad train horn/whistle issue. Mr. Berg has asked Lake Elmo, along with Oak Park Heights and Bayport Township, to sign on to a letter asking Union-Pacific RR to use more discretion in using the train whistle in affected zones. It is requested that the Mayor sign on to the letter.

Mr. Zuleger also reported the results of the speed trailer study by MnDOT. The subject area was at 11240 Highway 5 across from Hagberg's. The trailer recorded 7,500 vehicles. 7,164 vehicles were above the speed limit of 40mph. The average speed is 9 mph over the limit. He noted while the city would consider the figures as a high volume of speeding, traffic engineers would interpret the data as a justification for raising the speed. Another citation report will be available at the end of the week. Residents have been reporting their positive feedback with the increased enforcement.

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Council Member Emmons brought up the use of traffic calming techniques as opposed to actions that encourage increased speed. Mr. Zuleger affirmed that the three proposed tools include calming, as well as enforcement and regulation.

Council Member Smith inquired about the times the speeds were recorded. Mr. Zuleger stated that Public Works Director Bouthilet can provide those details. A discussion also took place explaining Red Zone enforcement. Mr. Zuleger confirmed that 26 percent of the citations and warnings were issued to Lake Elmo residents. Additional data will be available from the forthcoming road survey and ongoing studies. City Engineer Griffin informed the Council that the data suggests that a physical change to the roadway/sightlines is needed to change behavior.

Mr. Zuleger also reported that the City is working on finalizing a contract for a Humane Officer. Staff is working on water appeals and will be asking the council to consider the current water rates and the City's conservation policy in November. Storm Water Appeals are almost complete. A park usage policy is forthcoming for the Council's consideration. The next Source newsletter is ready for publication. Employee performance reviews will be taking place in November.

A discussion was had regarding city parks, trails, and the forthcoming park usage survey.

**City Attorney Snyder** reported that legal counsel has taken part in several administrative issues, reviewed the personnel policy, and worked on the 3M litigation. The next meeting will include a request for executive session to discuss further details related to that litigation.

**City Engineer Griffin** reported that the City did receive approval for funding of the Road Safety Audit.

**Planning Director Klatt** reported he took part in the Village walking tour with Damon Farber & Associates. Feedback from the group will be reported after it is compiled. There are upcoming Design Standards and Village Workgroup meetings scheduled.

**Finance Director Bendel** reported the completion of the storm water assessments. A sales tax audit is scheduled for next week. Regular month-end filings are coming up. Street Assessments will take place in November.

Adjourned open meeting at 8:50 P.M.

**LAKE ELMO CITY COUNCIL**

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Dean A. Johnston, Mayor

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Sandie Thone, City Clerk



## MAYOR AND COUNCIL COMMUNICATION

DATE: November 7, 2012

**PRESENTATION**

ITEM #: H

**AGENDA ITEM:** TH36 & Hilton Trail Interchange/DeMontreville J-Turn Project –  
Presentation by Adam Josephson, MnDOT East Area Manager

**SUBMITTED BY:** Jack Griffin, City Engineer

**THROUGH:** Dean A. Zuleger, City Administrator

**REVIEWED BY:**

**SUMMARY AND ACTION REQUESTED:** The city council is respectfully requested to receive a presentation from Adam Josephson, MnDOT East Area Manager regarding the Trunk Highway 36 & Hilton Trail Interchange/DeMontreville J-Turn Project.

**STAFF REPORT:** This project is proposed for construction in 2013. MnDOT is conducting a Public Open House on Thursday, November 15, 2012 at Lake Elmo City Hall from 4 p.m. to 7 p.m. Area residents and business owners are invited to attend to learn more about the project.

Over the past couple of years city staff has been working closely with the Minnesota Department of Transportation to review and comment on the proposed improvements along the Trunk Highway 36 corridor. MnDOT is proposing this project in the cities of Pine Springs, Grant, and Lake Elmo to replace the existing at-grade signalized intersection at TH 36 and Hilton Trail with a grade-separated interchange. The north frontage road (60th Street) will be extended over the Gateway Trail. The project will also reconstruct a 1.2-mile segment of TH 36 which will include the closing of the center median crossing at the Highlands Trail intersection, thereby converting it to a ¾ intersection. These improvements are being implemented as part of the MN 36 Corridor Management Plan. MnDOT's vision for TH 36 is to improve safety and traffic flow while reducing the amount of through traffic cutting through residential areas.

At the urging and request of the City of Lake Elmo, the project was expanded to include a J-turn with deceleration and acceleration lanes just east of the Highlands Trail and Keats Avenue intersections to better accommodate westbound TH 36 access for Lake Elmo residents. The J-Turn project is considered an interim solution for the corridor.

**RECOMMENDATION:** : Staff is recommending that the city council receive the presentation by Adam Josephson, MnDOT East Area Manager and encourage residents to attend the Public Open House. No formal action is being requested of the council.



## MAYOR AND COUNCIL COMMUNICATION

DATE: 11/07/2012

**CONSENT**

ITEM #: 2

**MOTION** Consent Agenda

**AGENDA ITEM:** Approve Disbursements in the Amount of \$253,016.42

**SUBMITTED BY:** Cathy Bendel, Finance Director

**REVIEWED BY:** Dean Zuleger, City Administrator

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**SUMMARY AND ACTION REQUESTED:** As part of its Consent Agenda, the City Council is asked to approve disbursements in the amount of \$253,016.42. No specific motion is needed, as this is recommended to be part of the overall approval of the *Consent Agenda*.

**BACKGROUND INFORMATION:** The City of Lake Elmo has fiduciary authority and responsibility to conduct normal business operation. Below is a summary of current claims to be disbursed and paid in accordance with State law and City policies and procedures.

| Claim #         | Amount              | Description                                     |
|-----------------|---------------------|---|
| ACH             | \$ 8,335.93         | Payroll Taxes to IRS & MN Revenue 10/18/2012    |
| ACH             | \$ 5,050.52         | Payroll Retirement to PERA 10/18/12             |
| DD4218 – DD4256 | \$ 23,654.43        | Payroll Dated 10/18/12 (Direct Deposit)         |
| 39072           | \$ 1,554.26         | Payroll Dated 10/18/2012 (Payroll Paper Checks) |
| 39074-39130     | \$ 53,107.79        | Accounts Payable 10/26/12                       |
| ACH             | \$ 8,088.71         | Payroll Taxes to IRS & MN Revenue 11/1/12       |
| ACH             | \$ 4,969.00         | Payroll Retirement to PERA 11/1/12              |
| DD4257 – DD4295 | \$ 24,263.24        | Payroll Dated 11/1/12 (Direct Deposit)          |
| 39131 – 39167   | \$ 123,392.54       | Accounts Payable 11/7/12                        |
| 1597 – 1606     | \$ 600.00           | Library Card Reimbursement 11/7/12              |
| <b>TOTAL</b>    | <b>\$253,016.42</b> |   |

**STAFF REPORT:** City staff has complied and reviewed the attached set of claims. All appears to be in order and consistent with City budgetary and fiscal policies and Council direction.

**RECOMMENDATION:** It is recommended that the City Council approve as part of the Consent Agenda proposed disbursements in the amount of \$253,016.42.

Alternatively, the City Council does have the authority to remove this item from the Consent Agenda or a particular claim from this item and further discuss and deliberate prior to taking action. If done so, the appropriate action of the Council following such discussion would be:

**“Move to approve the November 7, 2012, Disbursements as  
Presented *[and modified]* herein.”**

**ATTACHMENTS:**

1. Accounts Payable Dated 11/7/2012

**SUGGESTED ORDER OF BUSINESS *(if removed from the Consent Agenda):***

- Questions from Council to Staff ..... Mayor Facilitates
- Call for Motion ..... Mayor & City Council
- Discussion ..... Mayor & City Council
- Action on Motion ..... Mayor Facilitates

# Accounts Payable To Be Paid Proof List

User: joan z  
Printed: 10/26/2012 - 1:12 PM  
Batch: 009-10-2012

| Invoice #   | Inv Date   | Amount   | Quantity | Pmt Date   | Description                        | Reference | Task | Type | PO # | Close POLine # |
|---|------------|----------|----------|------------|------------------------------------|-----------|------|------|------|----------------|
| 10000 10,000 Lakes Chapter                        |            |          |          |            |                                    |           |      |      |      |                |
| 2012 Dues   | 10/09/2012 | 85.00    | 0.00     | 10/25/2012 | 2012 Membership dues - R. Chase    |           | -    | No   |      | 0000           |
| 101-420-2400-44370 Conferences & Training         |            |          |          |            |                                    |           |      |      |      |                |
| 2012 Dues Total:                                  |            | 85.00    |          |            |                                    |           |      |      |      |                |
| 10000 Total:                                      |            | 85.00    |          |            |                                    |           |      |      |      |                |
| ADAMBELL Bell Adam                                |            |          |          |            |                                    |           |      |      |      |                |
| 10/04/2012  | 10/04/2012 | 33.30    | 0.00     | 10/25/2012 | Mileage for Municipals meeting     |           | -    | No   |      | 0000           |
| 101-410-1320-43310 Mileage                        |            |          |          |            |                                    |           |      |      |      |                |
| 10/04/2012 Total:                                 |            | 33.30    |          |            |                                    |           |      |      |      |                |
| ADAMBELL Total:                                   |            | 33.30    |          |            |                                    |           |      |      |      |                |
| ALEXAIR Alex Air Apparatus, Inc                   |            |          |          |            |                                    |           |      |      |      |                |
| 22611   | 10/22/2012 | 3,115.39 | 0.00     | 10/25/2012 | Annual Inspection of SCBA's, Masks |           | -    | No   |      | 0000           |
| 101-420-2220-44040 Repairs/Maint Eqpt             |            |          |          |            |                                    |           |      |      |      |                |
| 22611 Total:                                      |            | 3,115.39 |          |            |                                    |           |      |      |      |                |
| ALEXAIR Total:                                    |            | 3,115.39 |          |            |                                    |           |      |      |      |                |
| AMDAHL Amdahl Chris                               |            |          |          |            |                                    |           |      |      |      |                |
| 9227  | 09/25/2012 | 91.00    | 0.00     | 10/25/2012 | Service Call on Jammed Office Door |           | -    | No   |      | 0000           |
| 101-410-1940-44010 Repairs/Maint Contractual Bldg |            |          |          |            |                                    |           |      |      |      |                |
| 9227 Total:                                       |            | 91.00    |          |            |                                    |           |      |      |      |                |
| AMDAHL Total:                                     |            | 91.00    |          |            |                                    |           |      |      |      |                |
| AMEE AMEE Central, Corp                           |            |          |          |            |                                    |           |      |      |      |                |
| 2012-166  | 10/22/2012 | 311.00   | 0.00     | 10/25/2012 | Big Show Sign "Vote Here"          |           | -    | No   |      | 0000           |
| 101-410-1410-44300 Miscellaneous                  |            |          |          |            |                                    |           |      |      |      |                |
| 2012-166 Total:                                   |            | 311.00   |          |            |                                    |           |      |      |      |                |
| AMEE Total:                                       |            | 311.00   |          |            |                                    |           |      |      |      |                |

| Invoice #             | Inv Date                       | Amount | Quantity | Pmt Date   | Description                             | Reference | Task | Type | PO # | Close PO Line # |
|-----------------------|--------------------------------|--------|----------|------------|---|-----------|------|------|------|-----------------|
| ARAM Aramark, Inc.    |                                |        |          |            |   |           |      |      |      |                 |
| 629-7591520           | 10/01/2012                     | 38.22  | 0.00     | 10/25/2012 | City Hall - Floor Mats & Linen Services |           | -    |      |      | 0000            |
| 101-410-1940-44010    | Repairs/Maint Contractual Bldg |        |          |            |   |           |      |      |      |                 |
| 629-7591520           | 10/15/2012                     | 31.62  | 0.00     | 10/25/2012 | City Hall - Floor mats & Linens - Annex |           | -    |      |      | 0000            |
| 101-410-1940-44010    | Repairs/Maint Contractual Bldg |        |          |            |   |           |      |      |      |                 |
| 629-7591520           | 10/15/2012                     | 38.22  | 0.00     | 10/25/2012 | City Hall Floor mats and Linens         |           | -    |      |      | 0000            |
| 101-410-1940-44010    | Repairs/Maint Contractual Bldg |        |          |            |   |           |      |      |      |                 |
| 629-759174            | 10/11/2012                     | 108.06 |          |            |   |           |      |      |      |                 |
| 101-430-3100-44170    | Uniforms                       | 23.78  | 0.00     | 10/25/2012 | Uniforms                                |           | -    |      |      | 0000            |
|                       | 629-7599174 Total:             | 23.78  |          |            |   |           |      |      |      |                 |
|                       | ARAM Total:                    | 131.84 |          |            |   |           |      |      |      |                 |
| BERTELSON Bertelson's |                                |        |          |            |   |           |      |      |      |                 |
| CP-WO-805431-1        | 10/25/2012                     | -32.05 | 0.00     | 10/25/2012 | Office Supply Return                    |           | -    |      |      | 0000            |
| 101-410-1320-42000    | Office Supplies                |        |          |            |   |           |      |      |      |                 |
| CP-WO-805431-1 Total: |                                | -32.05 |          |            |   |           |      |      |      |                 |
| OE-299180-1           | 10/02/2012                     | 26.72  | 0.00     | 10/25/2012 | Hands Free Towel Dispenser              |           | -    |      |      | 0000            |
| 101-410-1320-42000    | Office Supplies                |        |          |            |   |           |      |      |      |                 |
| OE-299180-1 Total:    |                                | 26.72  |          |            |   |           |      |      |      |                 |
| WO-802229-1           | 10/03/2012                     | 12.28  | 0.00     | 10/25/2012 | Duraframe Sign - Black                  |           | -    |      |      | 0000            |
| 101-410-1320-42000    | Office Supplies                |        |          |            |   |           |      |      |      |                 |
| WO-802229-1           | 10/03/2012                     | 229.71 | 0.00     | 10/25/2012 | Office Supplies                         |           | -    |      |      | 0000            |
| 101-410-1320-42000    | Office Supplies                |        |          |            |   |           |      |      |      |                 |
| WO-802229-1           | 10/03/2012                     | 12.84  | 0.00     | 10/25/2012 | Office Supplies                         |           | -    |      |      | 0000            |
| 101-420-2220-42000    | Office Supplies                |        |          |            |   |           |      |      |      |                 |
| WO-802229-1           | 10/03/2012                     | 5.98   | 0.00     | 10/25/2012 | Office Supplies                         |           | -    |      |      | 0000            |
| 101-420-2400-42000    | Office Supplies                |        |          |            |   |           |      |      |      |                 |
| WO-806165-1           | 10/17/2012                     | 260.81 | 0.00     | 10/25/2012 | Office Supplies                         |           | -    |      |      | 0000            |
| 101-410-1320-42000    | Office Supplies                |        |          |            |   |           |      |      |      |                 |
| WO-806165-1           | 10/17/2012                     | 282.61 | 0.00     | 10/25/2012 | Office Supplies                         |           | -    |      |      | 0000            |
| 101-420-2220-42000    | Office Supplies                |        |          |            |   |           |      |      |      |                 |
| WO-806165-1           | 10/17/2012                     | 236.31 | 0.00     | 10/25/2012 | Office Supplies                         |           | -    |      |      | 0000            |
| 101-410-1520-42000    | Office Supplies                |        |          |            |   |           |      |      |      |                 |
| WO-806165-1           | 10/17/2012                     | 89.98  | 0.00     | 10/25/2012 | Office Supplies                         |           | -    |      |      | 0000            |
| 101-420-2400-42000    | Office Supplies                |        |          |            |   |           |      |      |      |                 |
| WO-806165-1           | 10/17/2012                     | 20.78  | 0.00     | 10/25/2012 | Office Supplies                         |           | -    |      |      | 0000            |
| 101-420-2400-42000    | Office Supplies                |        |          |            |   |           |      |      |      |                 |
| WO-806165-1 Total:    |                                | 629.68 |          |            |   |           |      |      |      |                 |
| BERTELSON Total:      |                                | 885.16 |          |            |   |           |      |      |      |                 |
| BIFFS Biff's Inc.     |                                |        |          |            |   |           |      |      |      |                 |
| Multiple              | 10/17/2012                     | 674.18 | 0.00     | 10/25/2012 | Portable Restrooms                      |           | -    |      |      | 0000            |
| 101-450-5200-44120    | Rentals - Buildings            |        |          |            |   |           |      |      |      |                 |
|                       | Multiple Total:                | 674.18 |          |            |   |           |      |      |      |                 |

| Invoice #                                 | Inv Date   | Amount   | Quantity | Pmt Date   | Description                         | Reference | Task | Type | PO # | Close POLine # |
|---|------------|----------|----------|------------|-------------------------------------|-----------|------|------|------|----------------|
| BIFFS Total:                              |            | 674.18   |          |            |                                     |           |      |      |      |                |
| BRUSS Bruss Kim & David                   |            |          |          |            |                                     |           |      |      |      |                |
| chk Req                                   | 10/16/2012 | 57.10    | 0.00     | 10/25/2012 | Refund Overpayment of Water Account |           | -    |      | No   | 0000           |
| 601-494-9400-43820 Water Utility          |            |          |          |            |                                     |           |      |      |      |                |
| chk Req Total:                            |            | 57.10    |          |            |                                     |           |      |      |      |                |
| BRUSS Total:                              |            | 57.10    |          |            |                                     |           |      |      |      |                |
| CAMPION Campion Barrows & Assoc., Corp    |            |          |          |            |                                     |           |      |      |      |                |
| 10/01/2012                                | 10/01/2012 | 780.00   | 0.00     | 10/25/2012 | Psych Evaluations, Supant, Neuman   |           | -    |      | No   | 0000           |
| 101-420-2220-43050 Physicals              |            |          |          |            |                                     |           |      |      |      |                |
| 10/01/2012 Total:                         |            | 780.00   |          |            |                                     |           |      |      |      |                |
| CAMPION Total:                            |            | 780.00   |          |            |                                     |           |      |      |      |                |
| CARQUEST Car Quest Auto Parts             |            |          |          |            |                                     |           |      |      |      |                |
| 2055-271797                               | 10/09/2012 | 46.49    | 0.00     | 10/25/2012 | Work Lights                         |           | -    |      | No   | 0000           |
| 101-430-3100-44040 Repairs/Maint Eqpt     |            |          |          |            |                                     |           |      |      |      |                |
| 2055-271797 Total:                        |            | 46.49    |          |            |                                     |           |      |      |      |                |
| 6971-311722                               | 10/16/2012 | 34.28    | 0.00     | 10/25/2012 | Equip Lamps                         |           | -    |      | No   | 0000           |
| 101-430-3100-44040 Repairs/Maint Eqpt     |            |          |          |            |                                     |           |      |      |      |                |
| 6971-311722                               | 10/16/2012 | 101.40   | 0.00     | 10/25/2012 | Oils and Antifreeze                 |           | -    |      | No   | 0000           |
| 101-430-3120-42120 Fuel, Oil and Fluids   |            |          |          |            |                                     |           |      |      |      |                |
| 6971-311722 Total:                        |            | 135.68   |          |            |                                     |           |      |      |      |                |
| CARQUEST Total:                           |            | 182.17   |          |            |                                     |           |      |      |      |                |
| CDW CDW Government Inc.                   |            |          |          |            |                                     |           |      |      |      |                |
| R938054                                   | 10/25/2012 | 342.97   | 0.00     | 10/25/2012 | Canon DR M Scanner                  |           | -    |      | No   | 0000           |
| 101-410-1940-44300 Miscellaneous          |            |          |          |            |                                     |           |      |      |      |                |
| R938054                                   | 10/25/2012 | 342.97   | 0.00     | 10/25/2012 | Canon DR M Scanner                  |           | -    |      | No   | 0000           |
| 101-420-2400-44300 Miscellaneous          |            |          |          |            |                                     |           |      |      |      |                |
| R938054                                   | 10/25/2012 | 342.98   | 0.00     | 10/25/2012 | Canon DR M Scanner                  |           | -    |      | No   | 0000           |
| 101-410-1910-44300 Miscellaneous          |            |          |          |            |                                     |           |      |      |      |                |
| R938054 Total:                            |            | 1,028.92 |          |            |                                     |           |      |      |      |                |
| CDW Total:                                |            | 1,028.92 |          |            |                                     |           |      |      |      |                |
| CENCOLLE Century College                  |            |          |          |            |                                     |           |      |      |      |                |
| 479807                                    | 10/25/2012 | 600.00   | 0.00     | 10/25/2012 | Fire Ground Control                 |           | -    |      | No   | 0000           |
| 101-420-2220-44370 Conferences & Training |            |          |          |            |                                     |           |      |      |      |                |
| 479807                                    | 10/25/2012 | 700.00   | 0.00     | 10/25/2012 | Structural Firefighting             |           | -    |      | No   | 0000           |
| 101-420-2220-44370 Conferences & Training |            |          |          |            |                                     |           |      |      |      |                |
| 479807 Total:                             |            | 1,300.00 |          |            |                                     |           |      |      |      |                |

| Invoice #                       | Inv Date                 | Amount    | Quantity | Pmt Date   | Description                   | Reference | Task | Type | PO # | Close POLine # |
|---------------------------------|--------------------------|-----------|----------|------------|-------------------------------|-----------|------|------|------|----------------|
| CENCOLLE Total:                 |                          | 1,300.00  |          |            |                               |           |      |      |      |                |
| COMCAST COMCAST                 |                          |           |          |            |                               |           |      |      |      |                |
| 09/27/2012                      | 09/27/2012               | 7.90      | 0.00     | 10/25/2012 | Monthly Service               |           | -    |      | No   | 0000           |
| 101-420-2220-44300              | Miscellaneous            |           |          |            |                               |           |      |      |      |                |
| 09/27/2012 Total:               |                          | 7.90      |          |            |                               |           |      |      |      |                |
| COMCAST Total:                  |                          | 7.90      |          |            |                               |           |      |      |      |                |
| CTYOAKDA City of Oakdale        |                          |           |          |            |                               |           |      |      |      |                |
| 10000460-01                     | 09/30/2012               | 9,503.36  | 0.00     | 10/25/2012 | Water Service I-94            |           | -    |      | No   | 0000           |
| 601-494-9400-43820              | Water Utility            |           |          |            |                               |           |      |      |      |                |
| 10000460-01 Total:              |                          | 9,503.36  |          |            |                               |           |      |      |      |                |
| 201210033356                    | 09/28/2012               | 681.22    | 0.00     | 10/25/2012 | Oil Change New tires on CV1   |           | -    |      | No   | 0000           |
| 101-420-2220-44040              | Repairs/Maint Eqpt       |           |          |            |                               |           |      |      |      |                |
| 201210033356 Total:             |                          | 681.22    |          |            |                               |           |      |      |      |                |
| 201210183385                    | 11/17/2012               | 219.79    | 0.00     | 10/25/2012 | Front Axel Seal on CV1        |           | -    |      | No   | 0000           |
| 101-420-2220-44040              | Repairs/Maint Eqpt       |           |          |            |                               |           |      |      |      |                |
| 201210183385 Total:             |                          | 219.79    |          |            |                               |           |      |      |      |                |
| CTYOAKDA Total:                 |                          | 10,404.37 |          |            |                               |           |      |      |      |                |
| DELAPP DeLapp Steve             |                          |           |          |            |                               |           |      |      |      |                |
| 10/25/2012                      | 10/25/2012               | 1,089.59  | 0.00     | 10/25/2012 | Building Repairs              |           | -    |      | No   | 0000           |
| 206-450-5300-42230              | Building Repair Supplies |           |          |            |                               |           |      |      |      |                |
| 10/25/2012                      | 10/25/2012               | -3.60     | 0.00     | 10/25/2012 | Correction for phone reimb    |           | -    |      | No   | 0000           |
| 206-450-5300-43210              | Telephone                |           |          |            |                               |           |      |      |      |                |
| 10/25/2012 Total:               |                          | 1,085.99  |          |            |                               |           |      |      |      |                |
| DELAPP Total:                   |                          | 1,085.99  |          |            |                               |           |      |      |      |                |
| DELTA Delta Dental Of Minnesota |                          |           |          |            |                               |           |      |      |      |                |
| 4967728                         | 10/15/2012               | 1,623.05  | 0.00     | 10/25/2012 | November 2012 Dental Coverage |           | -    |      | No   | 0000           |
| 101-000-0000-21706              | Medical Insurance        |           |          |            |                               |           |      |      |      |                |
| 4967728 Total:                  |                          | 1,623.05  |          |            |                               |           |      |      |      |                |
| DELTA Total:                    |                          | 1,623.05  |          |            |                               |           |      |      |      |                |
| EMBROIDM Embroidme of Roseville |                          |           |          |            |                               |           |      |      |      |                |
| E 19529                         | 10/10/2012               | 40.00     | 0.00     | 10/25/2012 | Stff Pullover - Alyssa        |           | -    |      | No   | 0000           |
| 101-410-1320-44300              | Miscellaneous            |           |          |            |                               |           |      |      |      |                |
| E 19529                         | 10/10/2012               | 34.00     | 0.00     | 10/25/2012 | Stff Pullover - Rick          |           | -    |      | No   | 0000           |
| 101-420-2400-44300              | Miscellaneous            |           |          |            |                               |           |      |      |      |                |
| E 19529 Total:                  |                          | 74.00     |          |            |                               |           |      |      |      |                |

| Invoice #                              | Inv Date                | Amount   | Quantity | Pmt Date   | Description                  | Reference | Task | Type | PO # | Close POLine # |
|--|-------------------------|----------|----------|------------|------------------------------|-----------|------|------|------|----------------|
| EMBROIDM Total:                        |                         | 74.00    |          |            |                              |           |      |      |      |                |
| EMERGENCE Emergency Services Marketing |                         |          |          |            |                              |           |      |      |      |                |
| 6285                                   | 10/15/2012              | 650.00   | 0.00     | 10/25/2012 | Annual Subscription of       |           | -    |      |      | 0000           |
| 101-420-2220-44330                     | Dues & Subscriptions    |          |          |            | IAMRESPONDING                |           |      |      |      | No             |
| 6285 Total:                            |                         | 650.00   |          |            |                              |           |      |      |      |                |
| EMERGENCE Total:                       |                         | 650.00   |          |            |                              |           |      |      |      |                |
| ERICKSON Erickson Building Inc         |                         |          |          |            |                              |           |      |      |      |                |
| 101/17/2012                            | 10/17/2012              | 176.05   | 0.00     | 10/25/2012 | Permit #8628 Overpayment     |           | -    |      |      | 0000           |
| 101-420-2400-44300                     | Miscellaneous           |          |          |            |                              |           |      |      |      | No             |
| 10/17/2012 Total:                      |                         | 176.05   |          |            |                              |           |      |      |      |                |
| ERICKSON Total:                        |                         | 176.05   |          |            |                              |           |      |      |      |                |
| FERGUSON Ferguson Waterworks, Inc.     |                         |          |          |            |                              |           |      |      |      |                |
| SO1295124.002                          | 10/12/2012              | 3,255.63 | 0.00     | 10/25/2012 | Meters                       |           | -    |      |      | 0000           |
| 601-494-9400-42300                     | Water Meters & Supplies |          |          |            |                              |           |      |      |      | No             |
| SO1295124.002 Total:                   |                         | 3,255.63 |          |            |                              |           |      |      |      |                |
| FERGUSON Total:                        |                         | 3,255.63 |          |            |                              |           |      |      |      |                |
| FIRSTTIR First State Tire Recycling    |                         |          |          |            |                              |           |      |      |      |                |
| 25039                                  | 10/10/2012              | 43.00    | 0.00     | 10/25/2012 | Tire Recycling clean up days |           | -    |      |      | 0000           |
| 101-430-3100-44380                     | Clean-up Days           |          |          |            |                              |           |      |      |      | No             |
| 25039 Total:                           |                         | 43.00    |          |            |                              |           |      |      |      |                |
| FIRSTTIR Total:                        |                         | 43.00    |          |            |                              |           |      |      |      |                |
| HOLIDAYC Holiday Credit Office         |                         |          |          |            |                              |           |      |      |      |                |
| 10/15/2012                             | 10/15/2012              | 479.80   | 0.00     | 10/25/2012 | Fuel                         |           | -    |      |      | 0000           |
| 101-420-2220-42120                     | Fuel, Oil and Fluids    |          |          |            |                              |           |      |      |      | No             |
| 10/15/2012 Total:                      |                         | 479.80   |          |            |                              |           |      |      |      |                |
| HOLIDAYC Total:                        |                         | 479.80   |          |            |                              |           |      |      |      |                |
| JP COOKE JP Cooke Company              |                         |          |          |            |                              |           |      |      |      |                |
| 201970                                 | 11/10/2012              | 88.90    | 0.00     | 10/25/2012 | Planning approval Stamp      |           | -    |      |      | 0000           |
| 101-410-1910-42000                     | Office Supplies         |          |          |            |                              |           |      |      |      | No             |
| 201970 Total:                          |                         | 88.90    |          |            |                              |           |      |      |      |                |
| JP COOKE Total:                        |                         | 88.90    |          |            |                              |           |      |      |      |                |

| Invoice #                              | Inv Date                | Amount   | Quantity | Pmt Date   | Description                              | Reference | Task | Type | PO # | Close POLine # |
|--|-------------------------|----------|----------|------------|--|-----------|------|------|------|----------------|
| LEINN Lake Elmo Inn                    |                         |          |          |            |  |           |      |      |      |                |
| 08/22/2012                             | 08/22/2012              | 3,196.52 | 0.00     | 10/25/2012 | Ice Machine for fire Hall (rotary grant) |           | -    |      | No   | 0000           |
| 101-420-2220-42400                     | Small Tools & Equipment | 3,196.52 |          |            |  |           |      |      |      |                |
|  | 08/22/2012 Total:       | 3,196.52 |          |            |  |           |      |      |      |                |
|  | LEINN Total:            |          |          |            |  |           |      |      |      |                |
| Lillie Newspapers Inc. Lillie Suburban |                         |          |          |            |  |           |      |      |      |                |
| 09/27/2012                             | 09/27/2012              | 38.95    | 0.00     | 10/25/2012 | 9/12 Ordinance 2012-61                   |           | -    |      | No   | 0000           |
| 101-410-1910-42000                     | Office Supplies         | 18.45    | 0.00     | 10/25/2012 | 9/12 Notice Text amendment               |           | -    |      | No   | 0000           |
| 09/27/2012                             | 09/27/2012              | 52.00    | 0.00     | 10/25/2012 | 9/26/12 Notice - Keats Ave               |           | -    |      | No   | 0000           |
| 101-410-1910-42000                     | Office Supplies         | 16.40    | 0.00     | 10/25/2012 | 9/26/12 Notice - Koen CUP                |           | -    |      | No   | 0000           |
| 09/27/2012                             | 09/27/2012              | 125.80   |          |            |  |           |      |      |      |                |
| 101-410-1910-42000                     | Office Supplies         | 125.80   |          |            |  |           |      |      |      |                |
|  | 09/27/2012 Total:       |          |          |            |  |           |      |      |      |                |
|  | Lillie Total:           |          |          |            |  |           |      |      |      |                |
| LTLFALLS Little Falls Machine, Inc     |                         |          |          |            |  |           |      |      |      |                |
| 49499                                  | 10/11/2012              | 766.43   | 0.00     | 10/25/2012 | Wing Plow Cross Tube and Hardware        |           | -    |      | No   | 0000           |
| 101-430-3125-44040                     | Repairs/Maint Eqpt      | 766.43   |          |            |  |           |      |      |      |                |
|  | 49499 Total:            | 766.43   |          |            |  |           |      |      |      |                |
|  | LTLFALLS Total:         |          |          |            |  |           |      |      |      |                |
| MALMQ Malnquist Greg                   |                         |          |          |            |  |           |      |      |      |                |
| 09/16/12                               | 09/16/2012              | 183.15   | 0.00     | 10/25/2012 | Mileage for AMEM Conference              |           | -    |      | No   | 0000           |
| 101-420-2220-44370                     | Conferences & Training  | 38.50    | 0.00     | 10/25/2012 | Meals for AMEM Conference                |           | -    |      | No   | 0000           |
| 09/16/12                               | 09/16/2012              | 221.65   |          |            |  |           |      |      |      |                |
| 101-420-2220-44370                     | Conferences & Training  | 221.65   |          |            |  |           |      |      |      |                |
|  | 09/16/12 Total:         |          |          |            |  |           |      |      |      |                |
|  | MALMQ Total:            |          |          |            |  |           |      |      |      |                |
| MARONEY'S Maroney's Sanitation, Inc    |                         |          |          |            |  |           |      |      |      |                |
| 446235                                 | 10/08/2012              | 108.32   | 0.00     | 10/25/2012 | Waste Removal - City Hall                |           | -    |      | No   | 0000           |
| 101-410-1940-43840                     | Refuse                  | 47.68    | 0.00     | 10/25/2012 | Waste Removal - Fire                     |           | -    |      | No   | 0000           |
| 446235                                 | 10/08/2012              | 207.82   | 0.00     | 10/25/2012 | Waste Removal - Public Works             |           | -    |      | No   | 0000           |
| 101-410-1940-43840                     | Refuse                  | 207.82   | 0.00     | 10/25/2012 | Waste Removal - Parks                    |           | -    |      | No   | 0000           |
| 446235                                 | 10/08/2012              |          |          |            |  |           |      |      |      |                |
| 101-410-1940-43840                     | Refuse                  |          |          |            |  |           |      |      |      |                |

| Invoice #                    | Inv Date                       | Amount   | Quantity | Pmt Date   | Description                              | Reference | Task | Type | PO # | Close POLine # |
|------------------------------|--------------------------------|----------|----------|------------|--|-----------|------|------|------|----------------|
| 446235                       | 10/08/2012                     | 48.12    | 0.00     | 10/25/2012 | Waste Removal - Library                  |           | -    | No   |      | 0000           |
| 206-450-5300-43840           | Refuse                         |          |          |            |  |           |      |      |      |                |
| 446235 Total:                |                                | 619.76   |          |            |  |           |      |      |      |                |
| MARONEYS Total:              |                                | 619.76   |          |            |  |           |      |      |      |                |
| MENARDSO Menards - Oakdale   |                                |          |          |            |  |           |      |      |      |                |
| 4641                         | 08/03/2012                     | 149.32   | 0.00     | 10/25/2012 | FF Tools                                 |           | -    | No   |      | 0000           |
| 101-420-2220-42400           | Small Tools & Equipment        |          |          |            |  |           |      |      |      |                |
| 4641                         | 10/03/2012                     | 38.10    | 0.00     | 10/25/2012 | Supplies for station #1                  |           | -    | No   |      | 0000           |
| 101-420-2220-44010           | Repairs/Maint Bldg             |          |          |            |  |           |      |      |      |                |
| 4641 Total:                  |                                | 187.42   |          |            |  |           |      |      |      |                |
| 5254                         | 10/13/2012                     | 93.34    | 0.00     | 10/25/2012 | Cleaning supplies, light Bulbs station 2 |           | -    | No   |      | 0000           |
| 101-420-2220-44010           | Repairs/Maint Bldg             |          |          |            |  |           |      |      |      |                |
| 5254 Total:                  |                                | 93.34    |          |            |  |           |      |      |      |                |
| MENARDSO Total:              |                                | 280.76   |          |            |  |           |      |      |      |                |
| MICHAEL Michael Lee Inc.     |                                |          |          |            |  |           |      |      |      |                |
| check Req                    | 10/19/2012                     | 3,800.00 | 0.00     | 10/25/2012 | Partial Escrow Ref 2979 Tapestry #8235   |           | -    | No   |      | 0000           |
| 803-000-0000-22900           | Deposits Payable               |          |          |            |  |           |      |      |      |                |
| check Req                    | 10/18/2012                     | 3,800.00 | 0.00     | 10/25/2012 | Partial Escrow Ref 10225 Tapestry #8854  |           | -    | No   |      | 0000           |
| 803-000-0000-22900           | Deposits Payable               |          |          |            |  |           |      |      |      |                |
| check Req Total:             |                                | 7,600.00 |          |            |  |           |      |      |      |                |
| MICHAEL Total:               |                                | 7,600.00 |          |            |  |           |      |      |      |                |
| MINITEX Minitex              |                                |          |          |            |  |           |      |      |      |                |
| 79586                        | 08/06/2012                     | 864.00   | 0.00     | 10/25/2012 | Library Cards                            |           | -    | No   |      | 0000           |
| 206-450-5300-42500           | Library Collection Maintenance |          |          |            |  |           |      |      |      |                |
| 79586 Total:                 |                                | 864.00   |          |            |  |           |      |      |      |                |
| MINITEX Total:               |                                | 864.00   |          |            |  |           |      |      |      |                |
| NAPA NAPA Auto Parts         |                                |          |          |            |  |           |      |      |      |                |
| 726652                       | 10/11/2012                     | 4.77     | 0.00     | 10/25/2012 | Fuses for B2                             |           | -    | No   |      | 0000           |
| 101-420-2220-44040           | Repairs/Maint Eqpt             |          |          |            |  |           |      |      |      |                |
| 726652 Total:                |                                | 4.77     |          |            |  |           |      |      |      |                |
| NAPA Total:                  |                                | 4.77     |          |            |  |           |      |      |      |                |
| NEXTEL Nextel Communications |                                |          |          |            |  |           |      |      |      |                |
| 761950227-108                | 10/01/2012                     | 104.65   | 0.00     | 10/25/2012 | Cell Phone Service - Administration      |           | -    | No   |      | 0000           |
| 101-410-1940-43210           | Telephone                      |          |          |            |  |           |      |      |      |                |
| 761950227-108                | 10/01/2012                     | 163.42   | 0.00     | 10/25/2012 | Cell Phone Service - Fire Dept           |           | -    | No   |      | 0000           |
| 101-420-2220-43210           | Telephone                      |          |          |            |  |           |      |      |      |                |

| Invoice #                          | Inv Date                 | Amount | Quantity | Pmt Date   | Description                            | Reference | Task | Type | PO # | Close POLine # |
|------------------------------------|--------------------------|--------|----------|------------|--|-----------|------|------|------|----------------|
| 761950227-108                      | 10/01/2012               | 50.11  | 0.00     | 10/25/2012 | Cell Phone Service - Building          |           | -    |      | No   | 0000           |
| 101-420-2400-43210                 | Telephone                |        |          |            |  |           |      |      |      |                |
| 761950227-108                      | 10/01/2012               | 35.70  | 0.00     | 10/25/2012 | Cell Phone Service - Public Works      |           | -    |      | No   | 0000           |
| 101-430-3100-43210                 | Telephone                |        |          |            |  |           |      |      |      |                |
| 761950227-108                      | 10/01/2012               | 102.57 | 0.00     | 10/25/2012 | Cell Phone Service - Parks Dept        |           | -    |      | No   | 0000           |
| 101-450-5200-43210                 | Telephone                |        |          |            |  |           |      |      |      |                |
| 761950227-108                      | 10/01/2012               | 171.80 | 0.00     | 10/25/2012 | Cell Phone Service - Taxpayer Services |           | -    |      | No   | 0000           |
| 101-410-1450-43210                 | Telephone                |        |          |            |  |           |      |      |      |                |
| 761950227-108                      | 10/01/2012               | 17.93  | 0.00     | 10/25/2012 | Cell Phone Service - Planning Dept     |           | -    |      | No   | 0000           |
| 101-410-1910-43210                 | Telephone                |        |          |            |  |           |      |      |      |                |
| 761950227-108 Total:               |                          | 646.18 |          |            |  |           |      |      |      |                |
| NEXTTEL Total:                     |                          | 646.18 |          |            |  |           |      |      |      |                |
| PIKEBOB Pike Bob                   |                          |        |          |            |  |           |      |      |      |                |
| 10/25/2012                         | 10/25/2012               | 123.10 |          |            | Building Repairs and Maint.            |           | -    |      | No   | 0000           |
| 206-450-5300-42230                 | Building Repair Supplies |        |          |            |  |           |      |      |      |                |
| 10/25/2012 Total:                  |                          | 123.10 |          |            |  |           |      |      |      |                |
| PIKEBOB Total:                     |                          | 123.10 |          |            |  |           |      |      |      |                |
| PRIORITY Priority One              |                          |        |          |            |  |           |      |      |      |                |
| 10/25/2012                         | 10/25/2012               | 50.00  | 0.00     | 10/25/2012 | For use of Wi-Fi                       |           | -    |      | No   | 0000           |
| 206-450-5300-43210                 | Telephone                |        |          |            |  |           |      |      |      |                |
| 10/25/2012 Total:                  |                          | 50.00  |          |            |  |           |      |      |      |                |
| PRIORITY Total:                    |                          | 50.00  |          |            |  |           |      |      |      |                |
| PROVANTA Provantage                |                          |        |          |            |  |           |      |      |      |                |
| 6473615                            | 10/01/2012               | 341.25 | 0.00     | 10/25/2012 | Keyboard for Tablet                    |           | -    |      | No   | 0000           |
| 101-420-2220-42000                 | Office Supplies          |        |          |            |  |           |      |      |      |                |
| 6473615 Total:                     |                          | 341.25 |          |            |  |           |      |      |      |                |
| PROVANTA Total:                    |                          | 341.25 |          |            |  |           |      |      |      |                |
| REEDKATR Reed Katrina              |                          |        |          |            |  |           |      |      |      |                |
| 10/15/2012                         | 10/25/2012               | 40.54  | 0.00     | 10/25/2012 | Mileage Reimbursement for Municipals   |           | -    |      | No   | 0000           |
| 101-410-1320-43310                 | Mileage                  |        |          |            |  |           |      |      |      |                |
| 10/15/2012 Total:                  |                          | 40.54  |          |            |  |           |      |      |      |                |
| REEDKATR Total:                    |                          | 40.54  |          |            |  |           |      |      |      |                |
| RIVRCCOP River Country Cooperative |                          |        |          |            |  |           |      |      |      |                |
| 09/30/2012                         | 09/30/2012               | 555.14 | 0.00     | 10/25/2012 | Fuel                                   |           | -    |      | No   | 0000           |
| 101-420-2220-42120                 | Fuel, Oil and Fluids     |        |          |            |  |           |      |      |      |                |
| 09/30/2012 Total:                  |                          | 555.14 |          |            |  |           |      |      |      |                |

| Invoice #                             | Inv Date          | Amount   | Quantity | Pmt Date   | Description                             | Reference | Task | Type | PO # | Close POLine # |
|---------------------------------------|-------------------|----------|----------|------------|---|-----------|------|------|------|----------------|
| RIVRCOOP Total:                       |                   | 555.14   |          |            |   |           |      |      |      |                |
| ROGERS Rogers Printing Services, Corp |                   |          |          |            |   |           |      |      |      |                |
| 18978                                 | 10/12/2012        |          |          |            |   |           |      |      |      |                |
| 101-410-1320-42030                    | Printed Forms     | 301.55   | 0.00     | 10/25/2012 | Letterhead Envelopes                    |           | -    | No   |      | 0000           |
| 18978                                 | 10/12/2012        |          |          |            |   |           |      |      |      |                |
| 101-410-1520-42030                    | Printed Forms     | 236.50   | 0.00     | 10/25/2012 | Window Envelopes - A/P                  |           | -    | No   |      | 0000           |
| 18978                                 | 10/12/2012        |          |          |            |   |           |      |      |      |                |
| 601-494-9400-42030                    | Printed Forms     | 472.42   | 0.00     | 10/25/2012 | Window Envelopes - Water Billing        |           | -    | No   |      | 0000           |
| 18978                                 | 10/12/2012        |          |          |            |   |           |      |      |      |                |
| 603-496-9500-42000                    | Office Supplies   | 472.42   | 0.00     | 10/25/2012 | Window Envelopes - SW Billing           |           | -    | No   |      | 0000           |
| 18978 Total:                          |                   | 1,482.89 |          |            |   |           |      |      |      |                |
| ROGERS Total:                         |                   | 1,482.89 |          |            |   |           |      |      |      |                |
| RONNAN Ronnan Ken                     |                   |          |          |            |   |           |      |      |      |                |
| 09/28/2012                            | 09/28/2012        |          |          |            |   |           |      |      |      |                |
| 101-410-1450-43620                    | Cable Operations  | 38.00    | 0.00     | 10/25/2012 | Graphics System Training                |           | -    | No   |      | 0000           |
| 09/28/2012 Total:                     |                   | 38.00    |          |            |   |           |      |      |      |                |
| 10/10/2012                            | 10/10/2012        |          |          |            |   |           |      |      |      |                |
| 101-410-1450-43620                    | Cable Operations  | 55.00    | 0.00     | 10/25/2012 | Cable Operations 10/10/12 Planning Comm |           | -    | No   |      | 0000           |
| 10/10/2012 Total:                     |                   | 55.00    |          |            |   |           |      |      |      |                |
| RONNAN Total:                         |                   | 93.00    |          |            |   |           |      |      |      |                |
| S&T S&T Office Products, Inc.         |                   |          |          |            |   |           |      |      |      |                |
| 01PK2931                              | 09/28/2012        |          |          |            |   |           |      |      |      |                |
| 101-410-1320-42000                    | Office Supplies   | 7.24     | 0.00     | 10/25/2012 | Office Supplies - Tape                  |           | -    | No   |      | 0000           |
| 01PK2931 Total:                       |                   | 7.24     |          |            |   |           |      |      |      |                |
| 01PL2653                              | 10/18/2012        |          |          |            |   |           |      |      |      |                |
| 101-410-1320-42000                    | Office Supplies   | 150.05   | 0.00     | 10/25/2012 | Name Plates and Badges                  |           | -    | No   |      | 0000           |
| 01PL2653 Total:                       |                   | 150.05   |          |            |   |           |      |      |      |                |
| S&T Total:                            |                   | 157.29   |          |            |   |           |      |      |      |                |
| SAFEASSU Safe Assure Consultants Inc. |                   |          |          |            |   |           |      |      |      |                |
| 523                                   | 09/06/2012        |          |          |            |   |           |      |      |      |                |
| 101-430-3100-43150                    | Contract Services | 2,900.00 | 0.00     | 10/25/2012 | 2013 Safety Training                    |           | -    | No   |      | 0000           |
| 523 Total:                            |                   | 2,900.00 |          |            |   |           |      |      |      |                |
| SAFEASSU Total:                       |                   | 2,900.00 |          |            |   |           |      |      |      |                |
| SAMSCULUB Sam's Club                  |                   |          |          |            |   |           |      |      |      |                |
| 10/23/2012                            | 10/23/2012        |          |          |            |   |           |      |      |      |                |
| 101-420-2220-44300                    | Miscellaneous     | 87.76    | 0.00     | 10/25/2012 | Station and Relab Supplies              |           | -    | No   |      | 0000           |

| Invoice #                         | Inv Date                       | Amount | Quantity | Pmt Date   | Description                        | Reference | Task | Type | PO # | Close POLine # |
|-----------------------------------|--------------------------------|--------|----------|------------|------------------------------------|-----------|------|------|------|----------------|
| 10/23/2012                        | 10/23/2012                     | 11.94  | 0.00     | 10/25/2012 | city Hall Supplies                 |           | -    |      |      | 0000           |
| 101-410-1320-42000                | Office Supplies                |        |          |            |                                    |           |      |      |      | No             |
| 10/23/2012 Total:                 |                                | 99.70  |          |            |                                    |           |      |      |      |                |
| 10/25/2012                        | 10/25/2012                     | 78.05  | 0.00     | 10/25/2012 | Supplies for Officers Class        |           | -    |      |      | 0000           |
| 101-420-2220-44300                | Miscellaneous                  |        |          |            |                                    |           |      |      |      | No             |
| 10/25/2012 Total:                 |                                | 78.05  |          |            |                                    |           |      |      |      |                |
| SAMSCLUB Total:                   |                                | 177.75 |          |            |                                    |           |      |      |      |                |
| <hr/>                             |                                |        |          |            |                                    |           |      |      |      |                |
| SCHLOMKA Schlomka                 |                                |        |          |            |                                    |           |      |      |      |                |
| 13496                             | 10/05/2012                     | 200.00 | 0.00     | 10/25/2012 | Pump Holding Tank City Hall        |           | -    |      |      | 0000           |
| 101-410-1940-44010                | Repairs/Maint Contractual Bldg |        |          |            |                                    |           |      |      |      | No             |
| 13496 Total:                      |                                | 200.00 |          |            |                                    |           |      |      |      |                |
| SCHLOMKA Total:                   |                                | 200.00 |          |            |                                    |           |      |      |      |                |
| <hr/>                             |                                |        |          |            |                                    |           |      |      |      |                |
| STILLMED Stillwater Medical Group |                                |        |          |            |                                    |           |      |      |      |                |
| 10/09/12                          | 10/09/2012                     | 577.67 | 0.00     | 10/25/2012 | Physical & Vaccinations            |           | -    |      |      | 0000           |
| 101-420-2220-43050                | Physicals                      |        |          |            |                                    |           |      |      |      | No             |
| 10/09/12 Total:                   |                                | 577.67 |          |            |                                    |           |      |      |      |                |
| STILLMED Total:                   |                                | 577.67 |          |            |                                    |           |      |      |      |                |
| <hr/>                             |                                |        |          |            |                                    |           |      |      |      |                |
| TASCH T.A. Schifsky & Sons Inc    |                                |        |          |            |                                    |           |      |      |      |                |
| 54014 & 53970                     | 10/02/2012                     | 93.92  | 0.00     | 10/25/2012 | Asphalt                            |           | -    |      |      | 0000           |
| 101-430-3120-42240                | Street Maintenance Materials   |        |          |            |                                    |           |      |      |      | No             |
| 54014 & 53970 Total:              |                                | 93.92  |          |            |                                    |           |      |      |      |                |
| 54069                             | 10/08/2012                     | 71.68  | 0.00     | 10/25/2012 | Asphalt                            |           | -    |      |      | 0000           |
| 101-430-3120-42240                | Street Maintenance Materials   |        |          |            |                                    |           |      |      |      | No             |
| 54069 Total:                      |                                | 71.68  |          |            |                                    |           |      |      |      |                |
| TASCH Total:                      |                                | 165.60 |          |            |                                    |           |      |      |      |                |
| <hr/>                             |                                |        |          |            |                                    |           |      |      |      |                |
| TDS TDS METROCOM - LLC            |                                |        |          |            |                                    |           |      |      |      |                |
| 651-779-8882                      | 09/13/2012                     | 185.37 | 0.00     | 10/25/2012 | Analog Lines - Fire                |           | -    |      |      | 0000           |
| 101-420-2220-43210                | Telephone                      |        |          |            |                                    |           |      |      |      | No             |
| 651-779-8882                      | 09/13/2012                     | 174.27 | 0.00     | 10/25/2012 | Analog Lines - Public Works        |           | -    |      |      | 0000           |
| 101-430-3100-43210                | Telephone                      |        |          |            |                                    |           |      |      |      | No             |
| 651-779-8882                      | 09/13/2012                     | 129.75 | 0.00     | 10/25/2012 | Analog Lines - Lift Station Alarms |           | -    |      |      | 0000           |
| 602-495-9450-43210                | Telephone                      |        |          |            |                                    |           |      |      |      | No             |
| 651-779-8882                      | 09/13/2012                     | 45.46  | 0.00     | 10/25/2012 | Analog Lines - Well House #2       |           | -    |      |      | 0000           |
| 601-494-9400-43210                | Telephone                      |        |          |            |                                    |           |      |      |      | No             |
| 651-779-8882 Total:               |                                | 534.85 |          |            |                                    |           |      |      |      |                |
| TDS Total:                        |                                | 534.85 |          |            |                                    |           |      |      |      |                |

| Invoice #   | Inv Date | Amount                                     | Quantity | Pmt Date   | Description  | Reference | Task | Type | PO # | Close POLine # |
|---|----------|--|----------|------------|--|-----------|------|------|------|----------------|
| TOMARKSP Tomark Sports<br>94944229 10/09/2012<br>404-480-8900-45300 Improvements Other Than Bldgs<br>94944229 Total:<br>TOMARKSP Total:   |          | 1,015.85<br>1,015.85<br>1,015.85           | 0.00     | 10/25/2012 | Player Benches Deonotreville park                          |           | -    | No   |      | 0000           |
| TREGILGA Tregilgas Michael<br>10/18/12 10/18/2012<br>101-410-1450-43620 Cable Operations<br>10/18/12 Total:<br>10/22/2012 10/22/2012<br>101-410-1450-43620 Cable Operations<br>10/22/2012 Total:<br>TREGILGA Total: |          | 55.00<br>55.00<br>55.00<br>55.00<br>110.00 | 0.00     | 10/25/2012 | Cable Operator 10/18/12 Forum<br>Cable Operations 10/22/12 |           | -    | No   |      | 0000           |
| TRKUTI Truck Utilities Inc.<br>245019 10/11/2012<br>101-430-3120-42210 Equipment Parts<br>245019 Total:<br>TRKUTI Total:  |          | 89.84<br>89.84<br>89.84                    | 0.00     | 10/25/2012 | Wood Chipper Hyd Hose                                      |           | -    | No   |      | 0000           |
| WASHTAX Washington County<br>06/14/2012 06/14/2012<br>603-496-9500-44300 Miscellaneous Expenses<br>06/14/2012 Total:<br>WASHTAX Total:  |          | 46.00<br>46.00<br>46.00                    | 0.00     | 10/25/2012 | Rain Gardens Agreements                                    |           | -    | No   |      | 0000           |
| WILLTODD Williams Todd<br>09/25/2012 09/25/2012<br>206-450-5300-42230 Building Repair Supplies<br>09/25/2012 Total:<br>WILLTODD Total:  |          | 180.27<br>180.27<br>180.27                 | 0.00     | 10/25/2012 | Building Repair - Electrical Supplies                      |           | -    | No   |      | 0000           |
| XCEL Xcel Energy<br>51-5356323-8 10/04/2012<br>601-494-9400-43810 Electric Utility<br>51-5356323-8 Total:<br>XCEL Total:  |          | 3,055.75<br>3,055.75<br>3,055.75           | 0.00     | 10/25/2012 | Wells 1 & 2  |           | -    | No   |      | 0000           |

| Invoice #                     | Inv Date           | Amount | Quantity | Pmt Date   | Description           | Reference | Task | Type | PO # | Close POLine # |
|-------------------------------|--------------------|--------|----------|------------|-----------------------|-----------|------|------|------|----------------|
| YOCUM Yocum Oil Company, Inc. |                    |        |          |            |                       |           |      |      |      |                |
| 212573                        | 09/18/2012         | 160.69 | 0.00     | 10/25/2012 | Bulk Oil Tanks - Sept |           | -    |      |      | 0000           |
| 101-430-3100-44010            | Repairs/Maint Bldg |        |          |            |                       |           |      |      |      |                |
|                               | 212573 Total:      | 160.69 |          |            |                       |           |      |      |      |                |
| 213218                        | 10/17/2012         | 160.69 | 0.00     | 10/25/2012 | Bulk Oil Tanks - Oct  |           | -    |      |      | 0000           |
| 101-430-3100-44010            | Repairs/Maint Bldg |        |          |            |                       |           |      |      |      |                |
|                               | 213218 Total:      | 160.69 |          |            |                       |           |      |      |      |                |
|                               | YOCUM Total:       | 321.38 |          |            |                       |           |      |      |      |                |

Report Total: 53,107.79

# Accounts Payable Computer Check Proof List

User: CathyB

Printed: 10/24/2012 - 11:11 AM

| Invoice No              | Description   | Amount           | Payment Date | Acct Number                             | Reference                          |
|-------------------------|---|------------------|--------------|---|------------------------------------|
| Vendor:USPOST           | United States Postal Service<br>Postage for newsletter mailer<br>Check Total: | 452.70<br>452.70 | 10/24/2012   | Check Sequence: 1<br>101-410-1450-43090 | ACH Enabled: No<br>Postage for new |
| Total for Check Run:    |   | 452.70           |              |   |                                    |
| Total Number of Checks: |   | 1                |              |   |                                    |

Chk #39073

# Accounts Payable To Be Paid Proof List

User: joan z  
 Printed: 11/01/2012 - 8:48 AM  
 Batch: 002-11-2012

| Invoice #                               | Inv Date | Amount | Quantity | Pmt Date   | Description     | Reference | Task | Type | PO # | Close POLine # |
|---|----------|--------|----------|------------|-----------------|-----------|------|------|------|----------------|
| 10000 10,000 Lakes Chapter              |          |        |          |            |                 |           |      |      |      |                |
| 2013 Membership 10/29/2012              |          | 85.00  | 0.00     | 11/07/2012 | Membership Dues |           |      |      |      |                |
| 101-420-2400-44330 Dues & Subscriptions |          |        |          |            |                 |           |      |      |      |                |
| 2013 Membership Total:                  |          | 85.00  |          |            |                 |           |      |      |      | No             |
| 10000 Total:                            |          | 85.00  |          |            |                 |           |      |      |      | 0000           |
| Report Total:                           |          | 85.00  |          |            |                 |           |      |      |      |                |

# Accounts Payable To Be Paid Proof List

User: joan z

Printed: 11/01/2012 - 12:58 PM

Batch: 004-11-2012

| Invoice #   | Inv Date   | Amount                                    | Quantity | Pmt Date   | Description                       | Reference | Task | Type | PO # | Close POLine # |
|---|------------|---|----------|------------|-----------------------------------|-----------|------|------|------|----------------|
| 10000 10,000 Lakes Chapter Seminar<br>101-420-2400-44370 Conferences & Training<br>Seminar Total:<br>10000 Total:   | 10/29/2012 | 210.00<br>210.00<br>210.00                | 0.00     | 11/07/2012 | Seminar Registration              |           | -    | No   |      | 0000           |
| ADVANCED Advanced Eng & Environ Service<br>32149 10/30/2012<br>601-494-9400-43030 Engineering Services<br>32149 Total:<br>ADVANCED Total:   | 10/30/2012 | 2,232.50<br>2,232.50<br>2,232.50          | 0.00     | 11/07/2012 | Water System Design Phasing Study |           | -    | No   |      | 0000           |
| AMFLAG American Flagpole & Flag Corp<br>103551 10/23/2012<br>101-450-5200-44300 Miscellaneous<br>103551 Total:<br>AMFLAG Total:   | 10/23/2012 | 166.40<br>166.40<br>166.40                | 0.00     | 11/07/2012 | Flags                             |           | -    | No   |      | 0000           |
| ARAM Aramark, Inc.<br>629-7603972 10/18/2012<br>101-430-3100-44170 Uniforms<br>629-7603972 Total:<br>629-7608697 10/25/2012<br>101-430-3100-44170 Uniforms<br>629-7608697 Total:<br>ARAM Total: | 10/18/2012 | 23.78<br>23.78<br>23.78<br>23.78<br>47.56 | 0.00     | 11/07/2012 | Uniforms                          |           | -    | No   |      | 0000           |
| BANYON Banyon Data Systems, Inc.<br>148445 11/01/2012<br>601-494-9400-43180 Software Support<br>148445 Total:   | 11/01/2012 | 978.28<br>978.28                          | 0.00     | 11/07/2012 | Software Support                  |           | -    | No   |      | 0000           |

| Invoice #                              | Inv Date                       | Amount | Quantity | Pmt Date   | Description                              | Reference | Task | Type | PO # | Close POLine # |
|--|--------------------------------|--------|----------|------------|--|-----------|------|------|------|----------------|
| BANYON Total:                          |                                | 978.28 |          |            |  |           |      |      |      |                |
| BERTELSON Bertelson's                  |                                |        |          |            |  |           |      |      |      |                |
| WO-808501-1                            | 10/29/2012                     | 28.40  | 0.00     | 11/07/2012 | Supplies - Administration                |           | -    |      | No   | 0000           |
| 101-410-1320-42000                     | Office Supplies                |        |          |            |  |           |      |      |      |                |
| WO-808501-1                            | 10/29/2012                     | 26.16  | 0.00     | 11/07/2012 | Supplies - Building                      |           | -    |      | No   | 0000           |
| 101-420-2400-42000                     | Office Supplies                |        |          |            |  |           |      |      |      |                |
| WO-808501-1                            | 10/29/2012                     | 12.60  | 0.00     | 11/07/2012 | Supplies - Planning                      |           | -    |      | No   | 0000           |
| 101-410-1910-42000                     | Office Supplies                |        |          |            |  |           |      |      |      |                |
| WO-808501-1                            | 10/29/2012                     | 96.22  | 0.00     | 11/07/2012 | Supplies - Public Works                  |           | -    |      | No   | 0000           |
| 101-430-3100-42000                     | Office Supplies                |        |          |            |  |           |      |      |      |                |
| WO-808501-1 Total:                     |                                | 163.38 |          |            |  |           |      |      |      |                |
| BERTELSON Total:                       |                                | 163.38 |          |            |  |           |      |      |      |                |
| CENTURYL CenturyLink                   |                                |        |          |            |  |           |      |      |      |                |
| 11/07/2012                             | 11/07/2012                     | 120.97 | 0.00     | 11/07/2012 | Phone Service - Library                  |           | -    |      | No   | 0000           |
| 206-450-5300-43210                     | Telephone                      |        |          |            |  |           |      |      |      |                |
| 11/07/2012                             | 11/07/2012                     | 35.95  | 0.00     | 11/07/2012 | Internet Service - Library               |           | -    |      | No   | 0000           |
| 206-450-5300-43250                     | Internet                       |        |          |            |  |           |      |      |      |                |
| 11/07/2012 Total:                      |                                | 156.92 |          |            |  |           |      |      |      |                |
| CENTURYL Total:                        |                                | 156.92 |          |            |  |           |      |      |      |                |
| COMPENSA Compensation Consultants, Ltd |                                |        |          |            |  |           |      |      |      |                |
| Nov 2012                               | 10/24/2012                     | 40.00  | 0.00     | 11/07/2012 | Monthly PSA Admin Fee November 2012      |           | -    |      | No   | 0000           |
| 101-410-1320-44300                     | Miscellaneous                  |        |          |            |  |           |      |      |      |                |
| Nov 2012 Total:                        |                                | 40.00  |          |            |  |           |      |      |      |                |
| COMPENSA Total:                        |                                | 40.00  |          |            |  |           |      |      |      |                |
| DEMCO Demco                            |                                |        |          |            |  |           |      |      |      |                |
| 4778448                                | 10/15/2012                     | 94.12  | 0.00     | 11/07/2012 | Glossy Label Protectors                  |           | -    |      | No   | 0000           |
| 206-450-5300-42500                     | Library Collection Maintenance |        |          |            |  |           |      |      |      |                |
| 4778448 Total:                         |                                | 94.12  |          |            |  |           |      |      |      |                |
| DEMCO Total:                           |                                | 94.12  |          |            |  |           |      |      |      |                |
| EMBROIDM Embroidme of Roseville        |                                |        |          |            |  |           |      |      |      |                |
| E 19678                                | 10/25/2012                     | 112.95 | 0.00     | 11/07/2012 | Staff Polo Shirt - 3 Blue - Planning Dep |           | -    |      | No   | 0000           |
| 101-420-2400-44300                     | Miscellaneous                  |        |          |            |  |           |      |      |      |                |
| E 19678 Total:                         |                                | 112.95 |          |            |  |           |      |      |      |                |
| EMBROIDM Total:                        |                                | 112.95 |          |            |  |           |      |      |      |                |

| Invoice #  | Inv Date | Amount   | Quantity   | Pmt Date   | Description   | Reference | Task  | Type | PO #   | Close POLine #   |
|--|----------|--|--|--|---|-----------|---|------|--|--|
| FASTENAL Fastenal<br>MNOAK2381 10/18/2012<br>101-430-3100-42210 Equipment Parts<br>MNOAK2381 Total:<br>FASTENAL Total:   |          | 13.00<br>13.00<br>13.00  | 0.00   | 11/07/2012   | Hardware  |           | -   |      | No   | 0000   |
| FIORILLO Fiorillo Megan<br>10/23/2012 10/23/2012<br>101-410-1450-43620 Cable Operations<br>10/23/2012 Total:<br>FIORILLO Total:  |          | 27.50<br>27.50<br>27.50  | 0.00   | 11/07/2012   | CC Workshop 10/23/12  |           | -   |      | No   | 0000   |
| FOCUS Focus Engineering, Inc.<br>394 & 395 11/01/2012<br>101-410-1930-43030 Engineering Services<br>394 & 395 11/01/2012<br>101-410-1910-43030 Engineering Services<br>394 & 395 Total:<br>396 11/01/2012<br>101-420-2400-43030 Engineering<br>396 11/01/2012<br>101-410-1910-43030 Engineering Services<br>396 11/01/2012<br>101-430-3100-43030 Engineering Services<br>396 11/01/2012<br>601-494-9400-43030 Engineering Services<br>396 11/01/2012<br>602-495-9450-43030 Engineering Services<br>396 11/01/2012<br>603-496-9500-43030 Engineering Services<br>396 Total:<br>397 11/01/2012<br>409-480-8000-43030 Engineering Services<br>397 11/01/2012<br>409-480-8000-43030 Engineering Services<br>397 11/01/2012<br>409-480-8000-43030 Engineering Services<br>397 11/01/2012<br>409-480-8000-43030 Engineering Services<br>397 11/01/2012<br>409-480-8000-43030 Engineering Services<br>397 11/01/2012<br>409-480-8000-43030 Engineering Services |          | 4,486.09<br>270.00<br>4,756.09<br>967.50<br>1,915.50<br>1,502.50<br>3,064.49<br>1,426.96<br>1,058.50<br>9,935.45<br>1,463.14<br>1,767.84<br>307.21<br>59.00<br>45.00<br>469.14 | 0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00<br>0.00 | 11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012<br>11/07/2012 | General Engineering<br>General Engineering<br>General Engineering - VRA<br>General Engineering - VRA<br>General Engineering - VRA<br>General Engineering - VRA<br>General Engineering - VRA<br>General Engineering - VRA<br>General Engineering - VRA<br>Transportation & Traffic Systems<br>Street Maintenance<br>Municipal Aid System<br>Capital Improvement Planning<br>2012 Seal Coat Project<br>Trunk Hwy 36 Corridor Planning |           | -<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>-<br>- |      | No<br>No<br>No<br>No<br>No<br>No<br>No<br>No<br>No<br>No<br>No<br>No<br>No<br>No<br>No<br>No<br>No | 0000<br>0000<br>0000<br>0000<br>0000<br>0000<br>0000<br>0000<br>0000<br>0000<br>0000<br>0000<br>0000<br>0000<br>0000<br>0000<br>0000 |

| Invoice #          | Inv Date             | Amount    | Quantity | Pmt Date   | Description                           | Reference | Task | Type | PO # | Close POLine # |
|--------------------|----------------------|-----------|----------|------------|---------------------------------------|-----------|------|------|------|----------------|
| 397                | 11/01/2012           |           |          |            |                                       |           |      |      |      |                |
| 409-480-8000-43030 | Engineering Services |           |          |            | Wash City Demo Trail Reclamation      |           | -    |      | No   | 0000           |
| 397                | 11/01/2012           | 292.50    | 0.00     | 11/07/2012 | Proj                                  |           |      |      |      |                |
| 409-480-8000-43030 | Engineering Services |           |          |            | MN Dot Hilton Trail                   |           | -    |      | No   | 0000           |
| 398                | 11/01/2012           | 4,728.33  |          |            |                                       |           |      |      |      |                |
| 409-480-8000-43030 | Engineering Services |           |          |            | Development - Whistling Valley III    |           | -    |      | No   | 0000           |
| 398                | 11/01/2012           | 940.50    | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 418-480-8000-43030 | Engineering Services |           |          |            | 2011 Street & Water Quality           |           | -    |      | No   | 0000           |
| 399                | 11/01/2012           | 59.00     | 0.00     | 11/07/2012 | Improvements                          |           |      |      |      |                |
| 400                | 11/01/2012           | 59.00     |          |            |                                       |           |      |      |      |                |
| 420-480-8000-43030 | Engineering Services |           |          |            | 10th Street Infrastructure Planning   |           | -    |      | No   | 0000           |
| 400                | 11/01/2012           | 1,075.32  | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 601-494-9400-43030 | Engineering Services |           |          |            | 3M Litigation                         |           | -    |      | No   | 0000           |
| 401                | 11/01/2012           | 1,075.32  | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 601-494-9400-43030 | Engineering Services |           |          |            | Keats Ave MSA Street & Trunk Main     |           | -    |      | No   | 0000           |
| 402                | 11/01/2012           | 1,042.50  | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 601-494-9400-43030 | Engineering Services |           |          |            |                                       |           | -    |      | No   | 0000           |
| 402                | 11/01/2012           | 133.50    | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 403                | 11/01/2012           | 133.50    |          |            |                                       |           |      |      |      |                |
| 419-480-8000-43030 | Engineering Services |           |          |            | Demontreville Highlands Street Improv |           | -    |      | No   | 0000           |
| 403                | 11/01/2012           | 18,686.43 | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 404                | 11/01/2012           | 18,686.43 |          |            |                                       |           |      |      |      |                |
| 409-480-8000-43030 | Engineering Services |           |          |            | Olson Lake Trail Sewer Extension      |           | -    |      | No   | 0000           |
| 404                | 11/01/2012           | 1,648.55  | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 405                | 11/01/2012           | 225.00    | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 409-480-8000-43030 | Engineering Services |           |          |            | Old Village Municipal Sanitary Sewer  |           | -    |      | No   | 0000           |
| 405                | 11/01/2012           | 225.00    |          |            |                                       |           |      |      |      |                |
| 601-494-9400-43030 | Engineering Services |           |          |            | Inwood Ave Trunk Watermain            |           | -    |      | No   | 0000           |
| 406                | 11/01/2012           | 3,313.54  | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 601-494-9400-43030 | Engineering Services |           |          |            | Water System Design Phasing           |           | -    |      | No   | 0000           |
| 407                | 11/01/2012           | 3,313.54  | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 601-494-9400-43030 | Engineering Services |           |          |            | Supply Well & Pumphouse 4             |           | -    |      | No   | 0000           |
| 408                | 11/01/2012           | 29.50     | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 601-494-9400-43030 | Engineering Services |           |          |            |                                       |           |      |      |      |                |
| 408                | 11/01/2012           | 619.50    | 0.00     | 11/07/2012 |                                       |           |      |      |      |                |
| 601-494-9400-43030 | Engineering Services |           |          |            |                                       |           |      |      |      |                |
| FOCUS Total:       |                      | 47,193.21 |          |            |                                       |           |      |      |      |                |
| FXL FXL, Inc.      |                      |           |          |            |                                       |           |      |      |      |                |
| Oct 2012           |                      |           |          |            |                                       |           |      |      |      |                |
| 101-410-1320-43100 | Assessing Services   | 2,000.00  | 0.00     | 11/07/2012 | Assessing Services - October 2012     |           | -    |      | No   | 0000           |
| Oct 2012           |                      |           |          |            |                                       |           |      |      |      |                |
| Oct 2012           |                      | 2,000.00  |          |            |                                       |           |      |      |      |                |

| Invoice #  | Inv Date   | Amount    | Quantity | Pmt Date   | Description                           | Reference | Task | Type | PO # | Close POLine # |
|--|------------|-----------|----------|------------|---------------------------------------|-----------|------|------|------|----------------|
|  | FXL Total: | 2,000.00  |          |            |                                       |           |      |      |      |                |
| Gophseal GOPHER STATE SEALCOAT INC.              |            |           |          |            |                                       |           |      |      |      |                |
| Final Pay App 10/12/2012                         |            | 19,600.00 | 0.00     | 11/07/2012 | 2012 Crack Seal Project Final payment |           | -    |      | No   | 0000           |
| 419-480-8000-45300 Improvements Other Than Bldgs |            |           |          |            |                                       |           |      |      |      |                |
| Final Pay App Total:                             |            | 19,600.00 |          |            |                                       |           |      |      |      |                |
| Gophseal Total:                                  |            | 19,600.00 |          |            |                                       |           |      |      |      |                |
| GRAPHICR Graphic Resources                       |            |           |          |            |                                       |           |      |      |      |                |
| 44022 10/25/2012                                 |            | 113.27    | 0.00     | 11/07/2012 | Dept of inspections Forms             |           | -    |      | No   | 0000           |
| 101-420-2400-42000 Office Supplies               |            |           |          |            |                                       |           |      |      |      |                |
| 44022 Total:                                     |            | 113.27    |          |            |                                       |           |      |      |      |                |
| GRAPHICR Total:                                  |            | 113.27    |          |            |                                       |           |      |      |      |                |
| HERITFAR Heritage Farms Homeowners Asso          |            |           |          |            |                                       |           |      |      |      |                |
| 11/1/2012 11/01/2012                             |            | 225.42    | 0.00     | 11/07/2012 | Refund Overpayment on SW Account      |           | -    |      | No   | 0000           |
| 603-000-0000-37100 Surface Water Utility Sales   |            |           |          |            |                                       |           |      |      |      |                |
| 11/1/2012 Total:                                 |            | 225.42    |          |            |                                       |           |      |      |      |                |
| HERITFAR Total:                                  |            | 225.42    |          |            |                                       |           |      |      |      |                |
| KLMENG KLM Engineering, Inc.                     |            |           |          |            |                                       |           |      |      |      |                |
| 4651 10/12/2012                                  |            | 1,500.00  | 0.00     | 11/07/2012 | Plan Review for T-mobile antenna      |           | -    |      | No   | 0000           |
| 803-000-0000-22900 Deposits Payable              |            |           |          |            |                                       |           |      |      |      |                |
| 4651 Total:                                      |            | 1,500.00  |          |            |                                       |           |      |      |      |                |
| KLMENG Total:                                    |            | 1,500.00  |          |            |                                       |           |      |      |      |                |
| MANKATOW Mankato Web Design                      |            |           |          |            |                                       |           |      |      |      |                |
| 107 10/29/2012                                   |            | 150.00    | 0.00     | 11/07/2012 | Website Maintenance                   |           | -    |      | No   | 0000           |
| 101-410-1450-43180 Information Technology/Web    |            |           |          |            |                                       |           |      |      |      |                |
| 107 Total:                                       |            | 150.00    |          |            |                                       |           |      |      |      |                |
| MANKATOW Total:                                  |            | 150.00    |          |            |                                       |           |      |      |      |                |
| MIDFENCE Midwest Fence & Mtg.                    |            |           |          |            |                                       |           |      |      |      |                |
| 146309 10/25/2012                                |            | 1,196.00  | 0.00     | 11/07/2012 | Fence Demontreville park              |           | -    |      | No   | 0000           |
| 404-480-8000-45300 Improvements Other Than Bldgs |            |           |          |            |                                       |           |      |      |      |                |
| 146309 Total:                                    |            | 1,196.00  |          |            |                                       |           |      |      |      |                |
| MIDFENCE Total:                                  |            | 1,196.00  |          |            |                                       |           |      |      |      |                |

| Invoice #   | Inv Date | Amount                              | Quantity | Pmt Date   | Description                              | Reference | Task | Type | PO # | Close POLine # |
|---|----------|-------------------------------------|----------|------------|--|-----------|------|------|------|----------------|
| MILLEREX Miller Excavating, Inc.<br>16690 10/29/2012<br>101-430-3120-43150 Contract Services<br>16690 Total:<br>MILLEREX Total:     |          | 270.00<br>270.00<br>270.00          | 0.00     | 11/07/2012 | Grading Gravel Roads                     |           | -    | No   |      | 0000           |
| MNOFFICE MIN Office of Admin Hearings<br>47831A 07/31/2012<br>101-410-1320-43040 Legal Services<br>47831A Total:<br>MNOFFICE Total: |          | 12,312.36<br>12,312.36<br>12,312.36 | 0.00     | 11/07/2012 | Detachment Related Matters               |           | -    | No   |      | 0000           |
| NATREPRO National Reprographics, LLC<br>80167 10/30/2012<br>101-410-1320-42030 Printed Forms<br>80167 Total:<br>NATREPRO Total:     |          | 174.35<br>174.35<br>174.35          | 0.00     | 11/07/2012 | Employee Handbook                        |           | -    | No   |      | 0000           |
| NCPERS 566200-NCPERS MINNESOTA<br>5662812 10/23/2012<br>101-000-0000-21708 Other Benefits<br>5662812 Total:<br>NCPERS Total:        |          | 112.00<br>112.00<br>112.00          | 0.00     | 11/07/2012 | November 2012 Deductions                 |           | -    | No   |      | 0000           |
| PERFORMA Performance Plus<br>3342 10/24/2012<br>101-420-2220-44370 Conferences & Training<br>3342 Total:<br>PERFORMA Total:         |          | 525.00<br>525.00<br>525.00          | 0.00     | 11/07/2012 | Annual SCBA FIT Testing                  |           | -    | No   |      | 0000           |
| ROGERS Rogers Printing Services, Corp<br>18939 09/24/2012<br>601-494-9400-42030 Printed Forms<br>18939 Total:<br>ROGERS Total:      |          | 512.47<br>512.47<br>512.47          | 0.00     | 11/07/2012 | Utility Billing Paper                    |           | -    | No   |      | 0000           |
| STANTEC Stantec Consulting Services<br>625149 10/24/2012<br>419-480-8000-43030 Engineering Services<br>625149 Total:                |          | 17,300.66<br>17,300.66              | 0.00     | 11/07/2012 | 2012 Street & Water Quality Improvements |           | -    | No   |      | 0000           |

| Invoice #                              | Inv Date                     | Amount    | Quantity | Pmt Date   | Description                             | Reference | Task | Type | PO # | Close POLine # |
|--|------------------------------|-----------|----------|------------|---|-----------|------|------|------|----------------|
|  | STANTEC Total:               | 17,300.66 |          |            |   |           |      |      |      |                |
| STPAUL St Paul Stamp Works, Inc.       |                              |           |          |            |   |           |      |      |      |                |
| 263954                                 | 10/22/2012                   | 67.75     | 0.00     | 11/07/2012 | Dog Tags                                |           | -    | No   |      | 0000           |
| 101-410-1940-44300                     | Miscellaneous                |           |          |            |   |           |      |      |      |                |
|  | 263954 Total:                | 67.75     |          |            |   |           |      |      |      |                |
|  | STPAUL Total:                | 67.75     |          |            |   |           |      |      |      |                |
| SW/WC SW/WC Service Cooperatives       |                              |           |          |            |   |           |      |      |      |                |
| 12/1/2012                              | 10/29/2012                   | 10,008.00 | 0.00     | 11/07/2012 | December 2012 Premiums                  |           | -    | No   |      | 0000           |
| 101-000-0000-21706                     | Medical Insurance            |           |          |            |   |           |      |      |      |                |
|  | 12/1/2012 Total:             | 10,008.00 |          |            |   |           |      |      |      |                |
|  | SW/WC Total:                 | 10,008.00 |          |            |   |           |      |      |      |                |
| TASCH T.A. Schifsky & Sons Inc         |                              |           |          |            |   |           |      |      |      |                |
| 54146                                  | 10/23/2012                   | 141.92    | 0.00     | 11/07/2012 | Asphalt                                 |           | -    | No   |      | 0000           |
| 101-430-3120-42240                     | Street Maintenance Materials |           |          |            |   |           |      |      |      |                |
|  | 54146 Total:                 | 141.92    |          |            |   |           |      |      |      |                |
|  | TASCH Total:                 | 141.92    |          |            |   |           |      |      |      |                |
| TRKUTI Truck Utilities Inc.            |                              |           |          |            |   |           |      |      |      |                |
| 245519                                 | 10/26/2012                   | 26.85     | 0.00     | 11/07/2012 | Hyd. Hose 98-1                          |           | -    | No   |      | 0000           |
| 101-430-3120-42210                     | Equipment Parts              |           |          |            |   |           |      |      |      |                |
|  | 245519 Total:                | 26.85     |          |            |   |           |      |      |      |                |
|  | TRKUTI Total:                | 26.85     |          |            |   |           |      |      |      |                |
| VIKING I VIKING INDUSTRIAL CENTER      |                              |           |          |            |   |           |      |      |      |                |
| 310268                                 | 10/23/2012                   | 312.40    | 0.00     | 11/07/2012 | Class III Safety winter coats           |           | -    | No   |      | 0000           |
| 101-430-3100-44300                     | Miscellaneous                |           |          |            |   |           |      |      |      |                |
|  | 310268 Total:                | 312.40    |          |            |   |           |      |      |      |                |
|  | VIKING I Total:              | 312.40    |          |            |   |           |      |      |      |                |
| WASHCONS Washington Conservation Dist. |                              |           |          |            |   |           |      |      |      |                |
| 2484                                   | 09/30/2012                   | 554.25    | 0.00     | 11/07/2012 | 2nd Quarter billing for shared educator |           | -    | No   |      | 0000           |
| 603-496-9500-44370                     | Conferences & Training       |           |          |            |   |           |      |      |      |                |
|  | 2484 Total:                  | 554.25    |          |            |   |           |      |      |      |                |
|  | WASHCONS Total:              | 554.25    |          |            |   |           |      |      |      |                |

| Invoice #               | Inv Date          | Amount | Quantity | Pmt Date   | Description           | Reference | Task | Type | PO # | Close PO Line # |
|-------------------------|-------------------|--------|----------|------------|-----------------------|-----------|------|------|------|-----------------|
| WILDWOOD WILDWOOD LODGE |                   |        |          |            |                       |           |      |      |      |                 |
| 1629                    | 09/25/2012        | 219.74 | 0.00     | 11/07/2012 | Room for Seminar      |           | -    |      |      | No 0000         |
| 101-410-1320-44380      | Staff Development | 219.74 |          |            |                       |           |      |      |      |                 |
| 1629 Total:             |                   | 219.74 |          |            |                       |           |      |      |      |                 |
| WILDWOOD Total:         |                   |        |          |            |                       |           |      |      |      |                 |
| XCEL Xcel Energy        |                   |        |          |            |                       |           |      |      |      |                 |
| 51-0117414-0            | 11/01/2012        | 26.14  | 0.00     | 11/07/2012 | Welcome Sign          |           | -    |      |      | No 0000         |
| 101-430-3160-43810      | Street Lighting   | 26.14  |          |            |                       |           |      |      |      |                 |
| 51-0117414-0 Total:     |                   | 514.42 | 0.00     | 11/07/2012 | Library               |           | -    |      |      | No 0000         |
| 51-0630620-5            | 11/01/2012        | 514.42 | 0.00     | 11/07/2012 | Lights at Legion Park |           | -    |      |      | No 0000         |
| 206-450-5300-43810      | Electric Utility  | 30.49  |          |            |                       |           |      |      |      |                 |
| 51-0630620-5 Total:     |                   | 43.13  | 0.00     | 11/07/2012 | Lift Station          |           | -    |      |      | No 0000         |
| 51-4504807-7            | 11/01/2012        | 22.74  | 0.00     | 11/07/2012 | Traffic Lights        |           | -    |      |      | No 0000         |
| 101-430-3160-43810      | Street Lighting   | 96.36  |          |            |                       |           |      |      |      |                 |
| 51-4504807-7 Total:     |                   | 28.96  | 0.00     | 11/07/2012 | Street Lights         |           | -    |      |      | No 0000         |
| 51-4572945-7            | 11/01/2012        | 28.96  |          |            |                       |           |      |      |      |                 |
| 101-430-3160-43810      | Street Lighting   | 293.10 | 0.00     | 11/07/2012 | Fire Station 2        |           | -    |      |      | No 0000         |
| 51-4576456-3            | 11/01/2012        | 293.10 | 0.00     | 11/07/2012 | Tennis Court          |           | -    |      |      | No 0000         |
| 101-420-2220-43810      | Electric Utility  | 9.89   |          |            |                       |           |      |      |      |                 |
| 51-4576456-3 Total:     |                   | 9.89   | 0.00     | 11/07/2012 | Parks Bldg            |           | -    |      |      | No 0000         |
| 51-4733556-8            | 11/01/2012        | 57.55  | 0.00     | 11/07/2012 | Pebble Park           |           | -    |      |      | No 0000         |
| 101-450-5200-43810      | Electric Utility  | 57.55  | 0.00     | 11/07/2012 | Traffic Lights        |           | -    |      |      | No 0000         |
| 51-5044219-0            | 11/01/2012        | 26.56  | 0.00     | 11/07/2012 | Arts Center           |           | -    |      |      | No 0000         |
| 101-450-5200-43810      | Electric Utility  | 26.56  | 0.00     | 11/07/2012 | Lift Station          |           | -    |      |      | No 0000         |
| 51-5275289-3            | 11/01/2012        | 22.97  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |
| 101-450-5200-43810      | Electric Utility  | 22.97  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |
| 51-5275289-3 Total:     |                   | 22.97  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |
| 51-5522332-2            | 11/01/2012        | 87.50  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |
| 101-430-3160-43810      | Street Lighting   | 87.50  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |
| 51-5522332-2 Total:     |                   | 87.50  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |
| 51-5747685-4            | 11/01/2012        | 17.95  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |
| 101-450-5200-43810      | Electric Utility  | 17.95  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |
| 51-5747685-4 Total:     |                   | 17.95  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |
| 51-5916043-7            | 11/01/2012        | 17.95  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |
| 602-495-9450-43810      | Electric Utility  | 17.95  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |
| 51-5916043-7 Total:     |                   | 17.95  | 0.00     | 11/07/2012 |                       |           |      |      |      |                 |

| Invoice #            | Inv Date          | Amount     | Quantity | Pmt Date   | Description               | Reference | Task | Type | PO # | Close POLine # |
|----------------------|-------------------|------------|----------|------------|---------------------------|-----------|------|------|------|----------------|
| 51-6429583-8         | 11/01/2012        | 15.68      | 0.00     | 11/07/2012 | Lift Statin               |           | -    |      |      | 0000           |
| 602-495-9450-43810   | Electric Utility  |            |          |            |                           |           |      |      | No   | 0000           |
| 51-6429583-8         | Total:            | 15.68      |          |            |                           |           |      |      |      |                |
| 51-6433976-2         | 11/01/2012        | 265.86     | 0.00     | 11/07/2012 | Fire Station #1           |           | -    |      |      | 0000           |
| 101-420-2220-43810   | Electric Utility  |            |          |            |                           |           |      |      | No   | 0000           |
| 51-6433976-2         | Total:            | 265.86     |          |            |                           |           |      |      |      |                |
| 51-6625457-1         | 11/01/2012        | 43.05      | 0.00     | 11/07/2012 | Legion park               |           | -    |      |      | 0000           |
| 101-450-5200-43810   | Electric Utility  |            |          |            |                           |           |      |      | No   | 0000           |
| 51-6625457-1         | Total:            | 43.05      |          |            |                           |           |      |      |      |                |
| 51-6928283-3         | 11/01/2012        | 26.23      | 0.00     | 11/07/2012 | Traffic Lights            |           | -    |      |      | 0000           |
| 101-430-3160-43810   | Street Lighting   |            |          |            |                           |           |      |      | No   | 0000           |
| 51-6928283-3         | Total:            | 26.23      |          |            |                           |           |      |      |      |                |
| 51-8126093-5         | 11/01/2012        | 31.09      | 0.00     | 11/07/2012 | Water Tower 2             |           | -    |      |      | 0000           |
| 601-494-9400-43810   | Electric Utility  |            |          |            |                           |           |      |      | No   | 0000           |
| 51-8126093-5         | Total:            | 31.09      |          |            |                           |           |      |      |      |                |
| 51-8711719-3         | 11/01/2012        | 10.97      | 0.00     | 11/07/2012 | Speed Sign Hwy 5          |           | -    |      |      | 0000           |
| 101-430-3160-43810   | Street Lighting   |            |          |            |                           |           |      |      | No   | 0000           |
| 51-8711719-3         | Total:            | 10.97      |          |            |                           |           |      |      |      |                |
| XCEL                 | Total:            | 1,574.28   |          |            |                           |           |      |      |      |                |
| ZIERMAN Joan Zierman |                   |            |          |            |                           |           |      |      |      |                |
| Oct 2012             | 11/01/2012        | 595.00     | 0.00     | 11/07/2012 | October Clerical Services |           | -    |      |      | 0000           |
| 601-494-9400-43150   | Contract Services |            |          |            |                           |           |      |      | No   | 0000           |
| Oct 2012             | 11/01/2012        | 148.75     | 0.00     | 11/07/2012 | October Clerical Services |           | -    |      |      | 0000           |
| 602-495-9450-43150   | Contract Services |            |          |            |                           |           |      |      | No   | 0000           |
| Oct 2012             | 11/01/2012        | 1,487.50   | 0.00     | 11/07/2012 | October Clerical Services |           | -    |      |      | 0000           |
| 603-496-9500-43150   | Contract Services |            |          |            |                           |           |      |      | No   | 0000           |
| Oct 2012             | 11/01/2012        | 743.75     | 0.00     | 11/07/2012 | October Clerical Services |           | -    |      |      | 0000           |
| 101-410-1520-43150   | Contract Services |            |          |            |                           |           |      |      | No   | 0000           |
| Oct 2012             | Total:            | 2,975.00   |          |            |                           |           |      |      |      |                |
| ZIERMAN              | Total:            | 2,975.00   |          |            |                           |           |      |      |      |                |
| Report Total:        |                   |            |          |            |                           |           |      |      |      |                |
|                      |                   | 123,307.54 |          |            |                           |           |      |      |      |                |



## MAYOR AND COUNCIL COMMUNICATION

DATE: 11/07/2012

**CONSENT**

ITEM #: 3

**MOTION** Consent Agenda

**AGENDA ITEM:** Post-Issuance Tax Compliance Procedures for Tax-Exempt Bonds

**SUBMITTED BY:** Cathy Bendel, Finance Director

**REVIEWED BY:** Dean Zuleger, City Administrator

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**SUMMARY AND ACTION REQUESTED:** As part of its Consent Agenda, the City Council is asked to approve the adoption of the attached Post-Issuance Tax Compliance Procedures for Tax Exempt Bonds. No specific motion is needed, as this is recommended to be part of the overall approval of the *Consent Agenda*.

**BACKGROUND INFORMATION:** In the recent bond issuance process, it was found that The City of Lake Elmo does not have any formal procedures related to the procedures performed after the issuance of tax-exempt bonds. At the recommendation of the bonding legal counsel, the attached procedures were drafted for adoption by the City of Lake Elmo. These procedures will document and ensure that the City can be and is reimbursed for all expenses paid prior to bond issuance out of the bond issuance funds.

**RECOMMENDATION:** It is recommended that the City Council authorize the adoption of the attached Post-Issuance Tax Compliance Procedures for Tax-Exempt Bonds.

Alternatively, the City Council does have the authority to remove this item from the Consent Agenda and further discuss and deliberate prior to taking action.

**ATTACHMENTS:**

1. Post-Issuance Tax Compliance Procedures for Tax-Exempt Bonds

**City of Lake Elmo, Minnesota  
(the “Issuer” or “City”)  
Post-Issuance Tax Compliance Procedures  
For Tax-Exempt Bonds**

**Dated: November 7, 2012**

**I. Purpose**

These procedures are adopted by the Issuer to ensure that interest on tax-exempt bonds of the Issuer (or “Bonds”) remains excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”).

These written procedures are intended to formally memorialize certain policies and practices of the Issuer previously adopted or followed by the Issuer in connection with its issuance of Bonds. The Issuer reserves the right to use its discretion as necessary and appropriate to make exceptions to these procedures as facts and circumstances warrant.

**II. Expenditure/Use of Bond Proceeds**

A. Expenditure of Bond proceeds will be regularly reviewed by the City Finance Director for consistency with the Bond documents, including any Bond Resolution and the Issuer’s Tax Certificate.

B. The Issuer has separately established procedures for preparation and review of requests for Bond proceeds as part of its accounting system.

C. Requests must identify the Bond-financed property in conformity with the Issuer’s Tax Certificate executed at closing of the Bonds, including the character of the Bond-financed property. Such information is contained as part of the Issuer’s accounting system coding.

D. None of the proceeds of the Bonds will be used to reimburse the Issuer for costs paid prior to the date of issuance of the Bonds unless the Issuer shall have fully complied with Section 1.150-2 of the Treasury Regulations with respect to such reimbursed amounts, which section is summarized in Exhibit A hereto.

E. Staff costs may be financed with Bond proceeds only to the extent that they are properly capitalized as a cost of a capital project under generally accepted accounting principles and federal tax law.

F. A “final allocation” of Bond proceeds to uses shall be made not later than 18 months after the in-service date of the Bond-financed property (and in any event not later than 5 years and 60 days after the issuance of the Bonds and not later than 60 days after earlier retirement of the issue) in a manner consistent with the Code and Treasury Regulations and the applicable Tax Certificate.

G. Expenditure of proceeds of the Bonds will be measured against the Issuer's Tax Certificate expectation to spend or commit 5% of net sale proceeds within 6 months, to spend 85% of net sale proceeds within 3 years, and to proceed with due diligence to complete the capital project and fully spend the net sale and investment proceeds. In the event that exceptions under the Code are not met, calculations of rebate liability will be performed or caused to be performed by the City Finance Director as provided herein.

H. If there are any Bond proceeds remaining other than in a reserve or debt service fund established pursuant to the Bond Resolution after completion of the projects, such proceeds shall be applied in a manner consistent with the applicable Bond Resolution and Tax Certificate or pursuant to advice from Bond Counsel.

I. In the event that Bond proceeds are to be loaned to a conduit borrower, such conduit borrower will be required to agree to all terms of the Tax Certificate and provide evidence of post-issuance tax compliance procedures deemed adequate and consistent with those set forth herein; and all such obligations for post-issuance tax compliance shall be assumed by such conduit borrower. The City Finance Director shall be the primary contact for all conduit borrowers and related compliance matters.

### **III. Use of Bond-Financed Property**

A. Use of Bond-financed property when completed and placed in service will be reviewed by the City Finance Director. Appropriate department/facility managers, including staff responsible for asset management, shall be trained regarding restrictions on the use of Bond proceeds and facilities financed thereby and instructed to consult with the City Finance Director regarding any third-party contract concerning use of the facilities, including without limitation leases, use, management or service contracts, and research contracts.

B. Upon issuance of Bonds, there shall be no expectation that the Bond-financed property will be sold or otherwise disposed of by the Issuer during the term of the Bonds, except for replacement due to normal wear and tear or obsolescence.

C. Agreements with third parties for lease, use, management, or any other service agreement or research contract with respect to, or non-governmental use in respect of, Bond-financed property will be reviewed prior to execution for compliance with the Code. Such agreement will be approved by the City Finance Director, who will be responsible for determining whether the proposed agreement (1) results in private business use of the facilities, and (2) if applicable, meets the compensation, term and other requirements under Revenue Procedures 97-13 (included as Exhibit B hereto) and 2007-47; all upon advice of Bond Counsel, as necessary.

D. No item of Bond-financed property will be sold or transferred by the Issuer without approval of the City Finance Director, who shall seek advice of Bond Counsel as necessary, to provide guidance as to "remedial action" that may be required under the applicable Treasury Regulations if Bonds financing such property remain outstanding as of the date of sale or transfer of such property. Remedial action is summarized in Exhibit C hereto.

E. The Issuer acknowledges that any sale, transfer, change in use, or change in users of the Bond-financed property may require remedial action, as previously described, or resolution pursuant to the IRS Voluntary Closing Agreement Program (or “VCAP”) to assist in resolving violations of the federal tax laws applicable to the Bonds.

#### **IV. Investments**

A. Investment of Bond proceeds in compliance with the arbitrage and rebate requirements of the Code and applicable Treasury Regulations will be managed and supervised by the City Finance Director.

B. Guaranteed investment contracts (“GICs”) will be purchased according to the fair market value provisions of applicable Treasury Regulations, including bid requirements and fee limitations.

C. Calculations of rebate liability will be performed annually by the City Finance Director or by outside consultants as delegated by the City.

D. Upon final expenditure of the gross proceeds of Bonds, and in any event promptly following the fifth anniversary of the date of issuance of the Bonds or earlier retirement of the Bonds, the City Finance Director will consult a qualified professional to prepare a spending exception report or an arbitrage rebate computation (as applicable) for the issue of Bonds.

E. Rebate payments, as required based upon the advice of a qualified professional, will be made with Form 8038-T no later than 60 days after (a) each fifth anniversary of the date of issuance of the Bonds and (b) the final retirement of the Bond issue.

#### **V. Record Management and Retention**

A. Management and retention of records related to Bond issues will be maintained by the City Finance Director.

B. Records for Bonds will be retained for not less than the life of the Bonds, plus any refunding bonds, plus three years. Such records may be in the form of documents or electronic copies of documents, appropriately indexed to specific Bond issues and compliance functions.

C. Retainable records pertaining to Bond issuance shall include a transcript of documents executed in connection with the issuance of the Bonds and any amendments; and copies of rebate calculations and records of payments, including Forms 8038-T.

D. Retainable records pertaining to expenditures of Bond proceeds include requisitions; trustee statements, if applicable; and final allocation of proceeds.

E. Retainable records pertaining to use of Bond-financed property include all third-party contracts concerning use of the facilities, including (without limitation) leases, use, management or service contracts, and research contracts.

F. Retainable records pertaining to investments include GIC documents under the Treasury Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

## **VI. Overall Responsibility**

A. Overall administration and coordination of this policy and the procedures set forth herein are the responsibility of the City Finance Director.

B. Review of compliance with this policy and the procedures set forth herein shall be undertaken periodically, and in any event, not less than annually.

C. The Issuer understands that failure to comply with these policies and procedures could result in the retroactive loss of the exclusion of interest on Bonds from federal gross and Minnesota taxable net income; and, thus, it would be advisable to consult with Bond Counsel in advance regarding deviations from the facts and expectations as set forth in the closing certifications relating to any issue of Bonds.

D. Any violations or potential violations of federal tax requirements shall promptly be reported to the City Finance Director, and the City Finance Director will engage qualified consultants and bond counsel to further investigate potential violations or undertake appropriate remedial actions, which actions shall be approved by the governing body of the Issuer.

## EXHIBIT A

### **REIMBURSEMENT BOND SUMMARY**

Following is a general summary of the requirements relating to bonds that are issued to reimburse expenditures that were paid prior to the date of issuance of bonds ("Reimbursement Bonds").

Reimbursement Bond proceeds cannot be used to reimburse expenditures paid more than 60 days prior to the adoption of the declaration of official intent/reimbursement resolution, which must contain:

- a general functional description of the property to which the reimbursement relates or an identification of the fund or account from which the expenditure is to be paid and a general functional description of the purposes of such fund or account; and
- the maximum principal amount of debt to be issued.

Reimbursement Bonds must be issued not later than 18 months after the later of (i) the date on which the original expenditure is paid, or (ii) the date on which the property is placed in service, but in any case not more than three years after the date on which the original expenditure is paid. If possible, actual reimbursement should be made within 30 days of the date of issuance of the Reimbursement Bonds.

Note that there are exceptions for "de minimis" amounts (not in excess of the lesser of \$100,000 or 5% of proceeds of the issue) and for "preliminary expenditures" (such as architectural, engineering, surveying, soil testing and similar costs and costs of issuance), so long as such preliminary expenditures do not exceed 20% of the aggregate issue price.

## EXHIBIT B

### **SUMMARY OF REVENUE PROCEDURE 97-13**

#### Background

A management, service or incentive payment contract with a private service provider with respect to tax exempt bond-financed property may result in private business use of that property, based on all facts and circumstances. None of the compensation may be based on a share of net profits.

Revenue Procedure 97-13 establishes conditions under which a management contract generally does not result in private business use. Issuers and bond counsel typically attempt to satisfy, or substantially satisfy, one of these “safe harbors” because of uncertainty as to the treatment of nonconforming contracts. Below is a brief summary of the provisions of Rev. Proc. 93-17, as modified by Rev. Proc. 2001-39.

Rev. Proc. 93-17 establishes conditions based on (1) the compensation arrangements and the term of the agreement, and (2) whether the service provider has any role or relationship with the “qualified user”<sup>1</sup> that substantially limits the qualified user’s ability to exercise its rights under the contract.

#### General Rules

In all events, the contract must provide for reasonable compensation for services rendered, with no compensation based, in whole or in part, on a share of net profits from the operation of the facility. Reimbursement of the service provider for actual and direct expenses paid by the service provider to unrelated parties is not by itself treated as compensation.

The compensation, with the percentage determined by the term of the contract, subject to additional conditions, as described under “Compensation Safe Harbors” below, generally may be computed by:

(A) a periodic fixed fee, which is a stated dollar amount for a specified period of time<sup>2</sup>;

(B) a percentage fee, which is a percentage of gross revenues (or adjusted gross revenues) of the facility or a percentage of expenses of the facility, but not both;

(C) a capitation fee, which is a fixed periodic amount for each person for whom the service provider or the qualified user assumes the responsibility to provide all needed

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<sup>1</sup> A “qualified user” of the financed property is a state or local governmental unit (or instrumentality thereof) or a 501(c)(3) organization if the financed property is not used in an unrelated trade or business under section 513(a) of the Internal Revenue Code.

<sup>2</sup> A periodic fixed fee may include an automatic increase based on a specific, objective, external standard that is not linked to the output or efficiency of the facility in question.

services for a specified period so long as the quantity and type of services actually provided to covered persons varies substantially<sup>3</sup>;

(D) a per-unit fee, which is a fee based on a unit of service specified in the contract or otherwise specifically determined by an independent third party or the qualified user<sup>4</sup>; or

(E) a productivity reward equal to a stated dollar amount based on increases or decreases in gross revenues (or adjusted gross revenues), or reductions in total expenses (but not both increases in gross revenues (or adjusted gross revenues) and reductions in total expenses) in any annual period during the term of the contract.

The service provider must not have any role or relationship with the qualified user that, in effect, substantially limits the qualified user's ability to exercise its rights, including cancellation rights, under the contract based on all facts and circumstances. The relationship does not limit the qualified user's ability to exercise its rights if the following conditions are satisfied: (1) not more than 20 percent of the voting power of the governing body of the qualified user in the aggregate is vested in the service provider and its directors, officers, shareholders, and employees, (2) overlapping board members do not include the chief executive officers of the service provider or its governing body or the qualified user or its governing body, and (3) the qualified user and the service provider are not related parties.

#### COMPENSATION SAFE HARBORS

A management contract generally will not result in private business use if the compensation arrangement meets the criteria in one of the following categories:

##### *50% Periodic Fixed Fee Contracts*

- At least 50 percent of the compensation for services for each annual period during the term of the contract is based on a periodic fixed fee;
- the term of the contract, including all renewal options<sup>5</sup> in favor of the service provider, does not exceed 5 years; and
- the contract is terminable by the qualified user of the facility on reasonable notice, without penalty or cause, at the end of the third year of the contract term.

##### *80% Periodic Fixed Fee Contracts*

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<sup>3</sup> A capitation fee may include an automatic increase based on a specified, objective, external standard that is not linked to the output or efficiency of the facility. A capitation fee may also include a variable component of up to 20 percent of the total capitation fee designed to protect the service provider against risks such as catastrophic loss.

<sup>4</sup> A periodic fee may include an automatic increase based on a specified, objective, external standard that is not linked to the output or efficiency of the facility.

<sup>5</sup> A provision under which a contract is automatically renewed absent cancellation by either party is not a renewal option (even if it is expected to be renewed).

- At least 80 percent of the compensation for services for each annual period during the term of the contract is based on a periodic fixed fee; and
- the term of the contract, including all renewal options in favor of the service provider, does not exceed the lesser of 80 percent of the reasonably expected useful life of the financed property and 10 years.

For purposes of this safe harbor (but not the 50% periodic fixed fee safe harbor), a one-time incentive award during the term of the contract under which compensation automatically increases by a single, stated dollar amount when a gross revenue or expense target (but not both) is reached may be considered part of a fixed fee arrangement.

*95% Periodic Fixed Fee Contracts*

- At least 95 percent of the compensation for services for each annual period during the term of the contract is based on a periodic fixed fee; and
- the term of the contract, including all renewal options in favor of the service provider, does not exceed the lesser of 80 percent of the reasonably expected useful life of the financed property and 15 years.

For purposes of this safe harbor (but not the 50% periodic fixed fee safe harbor), a one-time incentive award during the term of the contract under which compensation automatically increases by a single, stated dollar amount when a gross revenue or expense target (but not both) is reached may be considered part of a fixed fee arrangement.

*Capitation Fee Contracts (with or without fixed fees)*

- All of the compensation for services is based on a capitation fee or a combination of a capitation fee and a periodic fixed fee;
- the term of the contract, including all renewal options in favor of the service provider, does not exceed 5 years; and
- the contract is terminable by the qualified user of the facility on reasonable notice, without penalty or cause, at the end of the third year of the contract term.

*Per-unit Fee Contracts (with or without fixed fees)*

- All of the compensation for services is based on a per-unit fee or a combination of a per-unit fee and a periodic fixed fee;
- the term of the contract, including all renewal options in favor of the service provider, does not exceed 3 years; and
- the contract is terminable by the qualified user of the facility on reasonable notice, without penalty or cause, at the end of the second year of the contract term.

### *Percentage of Revenue or Expenses*

- All the compensation for services is based on a percentage of fees charged or a combination of a per-unit fee and a percentage of revenue or expense fee;
- the term of the contract, including all renewal options in favor of the service provider, does not exceed 2 years; and
- the contract is terminable by the qualified user of the facility on reasonable notice, without penalty or cause, at the end of the first year of the contract term.

During the start-up period, however, compensation may be based on a percentage of either gross revenues, adjusted gross revenues, or expenses of a facility. The contract must be terminable by the qualified user on reasonable notice, without penalty or cause, at the end of the first year of the contract term. This safe harbor applies only to contracts under which the service provider primarily provides services to third parties and management contracts involving a facility during an initial start-up period for which there have been insufficient operations to establish a reasonable estimate of the amount of the annual gross revenues and expenses (for example, a contract for general management services for the first year of operations).

### Revision of Compensation Arrangements

Please note that if the compensation arrangements of a management contract are materially revised, the compensation arrangements are “retested” as of the date of the material revision, and the management contract is treated as one that was newly entered into as of the date of the material revision.

## EXHIBIT C

### **REMEDIAL PROVISIONS APPLICABLE TO BONDS**

The Issuer acknowledges that any deliberate action by the Issuer after Bond issuance that results in a satisfaction of the private business tests or the private loan test will result in private activity bond status unless one or more qualifying remedial actions are taken by the Issuer. Specifically, Treasury Regulations provide that actions are not treated as deliberate actions if (A) five conditional requirements are met, and (B) one of three remedial actions is taken, with respect to the disposition proceeds and nonqualified bonds\*:

#### **CONDITIONAL REQUIREMENTS**

1. **Reasonable Expectations** – The Issuer reasonably expected on the issue date that it would not meet the private business tests or the private loan test for the whole term of the bonds; and
2. **Reasonable Bond Maturity** – The term of the issue must not be unreasonably long; this requirement is met if the weighted average maturity of the bond issue is not greater than 120% of the expected economic life of the property financed; and
3. **Fair Market Value Consideration** – The terms of any agreement (relating to satisfaction of a private activity bond test) must be bona fide and at arm's-length, and the new user must pay a fair market value consideration for the use of the bond-financed property; and
4. **Disposition Proceeds Are Gross Proceeds** – The Issuer must treat any disposition proceeds as gross proceeds subject to arbitrage/rebate restrictions; and
5. **Proceeds Spent for Authorized Purpose** – Except as described with respect to redemption and defeasance options below, prior to deliberate actions, the affected proceeds must have been spent for the authorized purposes under the applicable bond documents.

**REMEDIAL ACTIONS** – Under Treasury Regulations, Sections 1.141-12(d), (e) and (f):

1. **Redemption of Non-Qualified Bonds** – Under the general rule, all nonqualified bonds of the issue must be redeemed. Tax-exempt bond proceeds (i.e., refunding bond proceeds) cannot be used unless the tax-exempt bonds are qualified bonds, taking into account the purchaser's use of the facility. The bonds must be redeemed within 90 days of the date of the deliberate action or a defeasance escrow for the bonds must be established within such 90-day period. Special rules apply to transfers exclusively for cash and to defeasance escrows.

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\* The portion of the outstanding bonds in an amount that, if the remaining bonds were issued on the date on which the deliberate action occurs, the remaining bonds would not satisfy the private business use test or the private loan financing test, as applicable. The amount of private business use is the highest percentage of business use in any one-year period, commencing with the deliberate action

2. Alternative Use of Disposition Proceeds – To meet this requirement, all disposition proceeds must be in cash, the issuer must reasonably expect to expend the proceeds within 2 years, the new use must not meet the private business tests or the private loan test (and the issuer cannot take any action subsequent to the date of the deliberate action to cause the tests to be met), and any unused proceeds must satisfy the redemption requirement in the preceding paragraph.
3. Alternative Use of Facility – This remedial action is satisfied if the bond-financed property itself (as distinguished from the proceeds of the issue) is used in an alternative manner (e.g., for a different purpose or by a different person); the nonqualified bonds are treated as reissued on the date of the deliberate action and independently meet all of the requirements for tax exemption under Sections 141 through 150 of the Code, except the arbitrage and rebate rules of Section 148, for the remaining term of the nonqualified bonds; the deliberate action does not involve a transfer of the property to a purchaser that finances the acquisition with the proceeds of another issue of tax-exempt bonds; and any disposition proceeds, other than those arising from an agreement to provide services, resulting from the deliberate action are used to pay debt service on the bonds on the next available payment date or escrowed within 90 days of receipt and yield restricted to pay debt service on the next available payment date.

The above is only a brief summary of remedial actions, and additional special rules may be applicable. As provided in the Issuer's Compliance Procedures for Tax-Exempt Bonds, the City Finance Director shall seek advice of Bond Counsel as necessary to provide guidance as to "remedial action" that may be required under the applicable Treasury Regulations.

The Commissioner of the IRS may, by publication, provide for additional remedial actions. In addition, the IRS provides a program in which issuers/borrowers which cannot meet a listed remedial action can enter into a closing agreement with the IRS to avoid private activity bond status. The closing agreement program includes several conditions, including providing for the redemption of the bonds and paying the IRS an amount based on an assumption that the non-qualified bonds are taxable from the date of the subsequent act until they are redeemed.

## Cathy Bendel

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**From:** Hanson.Jennifer@dorsey.com  
**Sent:** Tuesday, August 21, 2012 9:42 AM  
**To:** Cathy Bendel; Dean Zuleger  
**Cc:** ctebbitt@northlandsecurities.com  
**Subject:** reimbursement, post-issuance compliance  
**Attachments:** Written Procedures-City of Lake Elmo.doc

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Hi Cathy and Dean, thanks for confirming last week that any pre-issuance expenditures being reimbursed were for engineering, etc (soft costs). I do still need the exact dollar figure?

Also, the IRS now asks about post-issuance compliance procedures on form 8038-G. To enable you to answer "yes" to their question, we propose adopting something along the lines of the attached procedures. Could you review and, if they are acceptable, have them adopted either administratively or by council action and let us know the date of adoption? Thanks a lot, Jennifer

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**From:** Hanson, Jennifer  
**Sent:** Monday, August 13, 2012 11:25 AM  
**To:** Cathy Bendel ([cbendel@lakeelmo.org](mailto:cbendel@lakeelmo.org)); Dean Zuleger ([dzuleger@lakeelmo.org](mailto:dzuleger@lakeelmo.org))  
**Cc:** [ctebbitt@northlandsecurities.com](mailto:ctebbitt@northlandsecurities.com)  
**Subject:** RE: Lake Elmo--question about use of 2012B bond proceeds

Hi Cathy and Dean, now that we are approaching the closing for the bonds, we need to complete the IRS Form 8038. Could you provide us with the amount of any reimbursement the City intends to make to itself from bond proceeds for costs already paid on the project financed by the 2012B Bonds? Thanks, Jennifer

---

**From:** Hanson, Jennifer  
**Sent:** Monday, July 30, 2012 3:40 PM  
**To:** Cathy Bendel ([cbendel@lakeelmo.org](mailto:cbendel@lakeelmo.org)); Dean Zuleger ([dzuleger@lakeelmo.org](mailto:dzuleger@lakeelmo.org))  
**Cc:** [ctebbitt@northlandsecurities.com](mailto:ctebbitt@northlandsecurities.com)  
**Subject:** Lake Elmo--question about use of 2012B bond proceeds

Hi Cathy and Dean, just wondering whether the City expects to use bond proceeds to pay itself back for any previously incurred costs and if so, the amount of such costs and when they were incurred (the IRS asks about this now on Form 8038). Thanks! Jennifer

**Jennifer L. Hanson**  
Attorney

.....  
**DORSEY & WHITNEY LLP**

Suite 1500, 50 South Sixth  
Street  
Minneapolis, MN 55402-  
1498

[www.dorsey.com](http://www.dorsey.com)  
P: 612.492.6959

<< OLE Object: Picture (Device  
Independent Bitmap) >>

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**CONFIDENTIAL COMMUNICATION**

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## MAYOR AND COUNCIL COMMUNICATION

DATE: November 7, 2012

**CONSENT**

ITEM #: 4

**MOTION**

**AGENDA ITEM:** 2012 Crack Seal Project – Pay Estimate No. 1 (FINAL)

**SUBMITTED BY:** Ryan Stempski, Assistant City Engineer

**THROUGH:** Dean A. Zuleger, City Administrator

**REVIEWED BY:** Jack Griffin, City Engineer  
Cathy Bendel, Finance Director  
Mike Bouthilet, Public Works

**SUMMARY AND ACTION REQUESTED:** The City Council is respectfully requested to accept the work as recommended by the Assistant City Engineer and approve final payment to Gopher State Sealcoat, Inc., the Contractor for the 2012 Crack Seal Project in the amount of \$19,600. The two-year warranty period will begin on November 7, 2012, and extends to November 7, 2014.

**STAFF REPORT:** The 2012 Crack Seal Project has been fully completed. The project Certificate of Completion has been prepared by the Assistant City Engineer, and the term of the two-year warranty period has been established. Final Payment in the amount of \$19,600 has been requested by the Contractor, Gopher State Sealcoat, Inc., based upon the work completed. The original construction contract was in the amount of \$19,600. The project is being funded through the Infrastructure Reserves Fund.

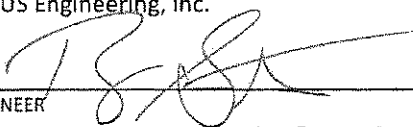
**RECOMMENDATION:** Staff is recommending, as part of the *Consent Agenda*, acceptance of the work and approval of Pay Estimate No. 1 (Final Payment) in the amount of \$19,600 to Gopher State Sealcoat, Inc. The recommended motion for this action is as follows:

**“Move to accept the work as recommended by the Assistant City Engineer and approve Final Payment to Gopher State Sealcoat, Inc. for the 2012 Crack Seal Project in the amount of \$19,600; to be paid from the Infrastructure Reserve Fund.”**

**ATTACHMENTS:**

1. Certificate of Completion – 2012 Crack Seal Project
2. Pay Estimate No. 1 (FINAL)

# PROJECT PAY FORM

|  |               |                         |               |  |  |
|--|---------------|-------------------------|---------------|--|--|
| PARTIAL PAY ESTIMATE NO. <u>1 (FINAL)</u>  |               |                         |               | <b>FOCUS</b> ENGINEERING, inc.   |  |
| 2012 STREET CRACK SEAL PROJECT<br>PROJECT NO. 2012.115   |               |                         |               | PERIOD OF ESTIMATE<br>FROM <u>9/18/2012</u> TO <u>10/12/2012</u>   |  |
| PROJECT OWNER:<br>CITY OF LAKE ELMO<br>3800 LAVERNE AVENUE NORTH<br>LAKE ELMO, MN 55042<br>ATTN: JACK GRIFFIN, P.E., CITY ENGINEER   |               |                         |               | CONTRACTOR:<br>GOPHER STATE SEALCOAT, INC.<br>12519 RHODE ISLAND AVENUE S.<br>SAVAGE, MN 55378<br>ATTN: CRAIG OLSON, PROJECT MANAGER                     |  |
| CONTRACT CHANGE ORDER SUMMARY  |               |                         |               | PAY ESTIMATE SUMMARY   |  |
| No.  | Approval Date | Amount                  |               |  |  |
|  |               | Additions               | Deductions    |  |  |
|  |               |                         |               | 1. Original Contract Amount <u>\$19,600.00</u>   |  |
|  |               |                         |               | 2. Net Change Order Sum <u>\$0.00</u>  |  |
|  |               |                         |               | 3. Revised Contract (1+2) <u>\$19,600.00</u>   |  |
|  |               |                         |               | 4. *Work Completed <u>\$19,600.00</u>  |  |
|  |               |                         |               | 5. *Stored Materials <u>\$0.00</u>   |  |
|  |               |                         |               | 6. Subtotal (4+5) <u>\$19,600.00</u>   |  |
|  |               |                         |               | 7. Retainage* <u>0.0%</u> <u>\$0.00</u>  |  |
|  |               |                         |               | 8. Previous Payments <u>\$0.00</u>   |  |
| TOTALS   |               | \$0.00                  | \$0.00        | 9. Amount Due (6-7-8) <u>\$19,600.00</u>   |  |
| NET CHANGE   |               | \$0.00                  |               | *Detailed Breakdown Attached   |  |
| CONTRACT TIME  |               |                         |               |  |  |
| START DATE: <u>9/18/2012</u>   |               | ORIGINAL DAYS <u>43</u> |               | ON SCHEDULE  |  |
| SUBSTANTIAL COMPLETION: <u>N/A</u>   |               | REVISED DAYS <u>0</u>   |               | YES <input checked="" type="checkbox"/>  |  |
| FINAL COMPLETION: <u>10/31/2012</u>  |               | REMAINING <u>19</u>     |               | NO <input type="checkbox"/>  |  |
| ENGINEER'S CERTIFICATION:<br>The undersigned certifies that the work has been reviewed and to the best of their knowledge and belief, the quantities shown in this estimate are correct and the work has been performed in accordance with the contract documents.   |               |                         |               | FOCUS Engineering, inc.<br><br>ENGINEER<br><u>10-25-2012</u><br>DATE |  |
| CONTRACTOR'S CERTIFICATION:<br>The undersigned Contractor certifies that to the best of their knowledge, information and belief the work covered by this payment estimate has been completed in accordance with the contract documents, that all amounts have been paid by the contractor for work for which previous payment estimates was issued and payments received from the owner, and that current payment shown herein is now due. |               |                         |               | CONTRACTOR<br>_____<br>BY<br>_____<br>DATE   |  |
| APPROVED BY OWNER: <u>CITY OF LAKE ELMO, MINNESOTA</u>   |               |                         |               |  |  |
| _____<br>BY  |               |                         | _____<br>BY   |  |  |
| _____<br>DATE  |               |                         | _____<br>DATE |  |  |

PARTIAL PAY ESTIMATE NO. 1 (FINAL)

2012 STREET CRACK SEAL PROJECT  
CITY OF LAKE ELMO, MINNESOTA  
PROJECT NO. 2012.115

# FOCUS ENGINEERING, inc.

| ITEM | DESCRIPTION OF PAY ITEM | UNIT | CONTRACT (Revised) |            |             | THIS PERIOD |             | TOTAL TO DATE |             |
|------|-------------------------|------|--------------------|------------|-------------|-------------|-------------|---------------|-------------|
|      |                         |      | QUANTITY           | UNIT PRICE | AMOUNT      | QUANTITY    | AMOUNT      | QUANTITY      | AMOUNT      |
| 1    | ROUTE AND SEAL CRACKS   | LBS  | 14,000.0           | \$1.40     | \$19,600.00 | 1,000.00    | \$19,600.00 | 1,000.00      | \$19,600.00 |

TOTALS - BASE CONTRACT

\$19,600.00

\$19,600.00

\$19,600.00

**CERTIFICATE OF COMPLETION**

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DATE OF ISSUANCE: November 7, 2012

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|               |                                    |
|---------------|------------------------------------|
| OWNER:        | <u>CITY OF LAKE ELMO, MN</u>       |
| CONTRACTOR:   | <u>GOPHER STATE SEALCOAT, INC.</u> |
| PROJECT NAME: | <u>2012 CRACK SEAL PROJECT</u>     |
| PROJECT NO.:  | <u>2012.115</u>                    |

---

- ☒ This Certification of Completion applies to all work under the Contract Documents  
☐ This Certification of Completion applies to the following specified parts of the Contract Documents

I do hereby certify that the work to which this Certificate applies has been constructed in accordance with the Contract dated September 18, 2012. The above-mentioned improvement is hereby declared to be complete and acceptance of this work is recommended.

DATE OF COMPLETION: November 7, 2012

Ryan W. Stempski Reg. No. 45395

FOCUS Engineering, inc.

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THE WARRANTY PERIOD BEGINS November 7, 2012 AND ENDS November 7, 2014

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## MAYOR AND COUNCIL COMMUNICATION

DATE: November 7, 2012

**CONSENT**

ITEM #: 5

**MOTION**

**AGENDA ITEM:** State of Minnesota Redevelopment Grant Program – A Resolution  
Accepting the DEED Water System Infrastructure Grant

**SUBMITTED BY:** Jack Griffin, City Engineer

**THROUGH:** Dean A. Zuleger, City Administrator

**REVIEWED BY:** Cathy Bendel, Finance Director

**SUMMARY AND ACTION REQUESTED:** The city council is respectfully requested to consider approving a resolution accepting the water system infrastructure grant from the State of Minnesota Redevelopment Grant Program.

**BACKGROUND INFORMATION:** On March 14, 2010 the state legislature signed into law the Capitol Investment Bill. Included in the bill was a special appropriation under the Redevelopment Grant Account for the City of Lake Elmo in the amount of \$2,000,000; where \$1,000,000 must be used to design and construct an expansion of the city's water pumping, storage, and distribution system; and \$1,000,000 must be used to design and construct the I94 to 30th St. Lift Station and Forcemain project. As a condition in the bill language, the special appropriation will not be available until the City has determined that an equal amount has been committed to the project from non-state sources.

**STAFF REPORT:** City staff is working with the State of Minnesota, Department of Employment and Economic Development to complete the Water System Infrastructure Grant Agreement necessary to secure the funds for the City of Lake Elmo as appropriated by the state legislature. As a requirement of the Grant Agreement, the City of Lake Elmo must submit a resolution accepting the grant and committing the local match and/or non-state sources required for the project. A similar resolution was passed on May 18, 2010 for the Lift Station and Forcemain project.

**RECOMMENDATION:** : Staff is recommending that the city council approve Resolution No. 2012-XX, accepting the water system infrastructure grant from the State of Minnesota Redevelopment Grant Program. The suggested motion is as follows:

Based upon the above background information and staff report, it is recommended that the City Council move to approve the motion by undertaking the following action:

***“Move to Approve Resolution No. 12-XX accepting the water system infrastructure grant from the State of Minnesota Redevelopment Grant Program.”***

**ATTACHMENTS:**

1. Resolution 2012-XX

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2012-XX**

**A RESOLUTION ACCEPTING THE  
WATER SYSTEM INFRASTRUCTURE GRANT FROM THE  
STATE OF MINNESOTA REDEVELOPMENT GRANT PROGRAM**

BE IT RESOLVED that the City of Lake Elmo act as the legal authority to enter into a grant agreement with the State of Minnesota through its Department of Employment and Economic Development for the special appropriation authorized by the Minnesota Session Laws 2010, Chapter 189, Section 21, Subd. 4; and

BE IT FURTHER RESOLVED that the City of Lake Elmo is authorized to execute such grant agreements, and is authorized to take receipt of \$1,000,000 in grant proceeds for Water Infrastructure System improvements and has authorized the Mayor and City Clerk to enter into an agreement with the State of Minnesota for the above referenced project; and

BE IT FURTHER RESOLVED that the City of Lake Elmo has the legal authority to receive financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration; and

BE IT FURTHER RESOLVED that the sources and amounts of the local match identified in the application are committed to the project identified; and

BE IT FURTHER RESOLVED that the City of Lake Elmo has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice; and

BE IT FURTHER RESOLVED that upon approval of its application by the state, the City of Lake Elmo may enter into an agreement with the State of Minnesota for the above referenced projects, and that the City of Lake Elmo certifies that it will comply with all applicable laws and regulation as stated in all contract agreements.

NOW, THEREFORE BE IT RESOLVED that the Mayor and the Clerk, are hereby authorized to execute such agreements as are necessary to implement the projects on behalf of the City of Lake Elmo.

Date: \_\_\_\_\_, 2012

CITY OF LAKE ELMO

By: \_\_\_\_\_  
Dean A. Johnston  
Mayor

ATTEST:

\_\_\_\_\_  
Dean A. Zuleger  
City Administrator

### **CERTIFICATION**

I hereby certify that the foregoing Resolution is a true and correct copy of a resolution presented to and adopted by the Council of the City of Lake Elmo at a duly authorized meeting thereof held on 7th day of November 2012, as shown by the minutes of said meeting in my possession.

\_\_\_\_\_  
Adam Bell  
Deputy Clerk

(Seal)



## MAYOR AND COUNCIL COMMUNICATION

DATE: November 7, 2012

**CONSENT**

ITEM #: 6

**MOTION**

**AGENDA ITEM:** Keats MSA Street and Trunk Watermain Improvements – Approve Engineering Design and Construction Support Services Contract

**SUBMITTED BY:** Jack Griffin, City Engineer

**THROUGH:** Dean A. Zuleger, City Administrator

**REVIEWED BY:** Ryan Stempiski, Assistant City Engineer

**SUMMARY AND ACTION REQUESTED:** The city council is respectfully requested to consider awarding the Professional Engineering Design and Construction Support Services Contract for the Keats MSA Street and Trunk Watermain Improvements to TKDA, Inc. in the estimated not to exceed amount of \$77,000 plus a \$5,000 engineering contingency for Valley Branch Watershed District (VBWD) permitting.

**STAFF REPORT:** On October 2, 2012, following a public improvement hearing, the City Council authorized the preparation of plans and specifications for the Keats MSA Street and Trunk Watermain Improvement project. The City Engineer prepared a Request for Proposal (RFP) for Engineering Support Services that includes a full topographic survey, the preparation of the plans and specifications; plan printing, distribution and bidding services; limited construction administration support to the City Engineer; and construction staking.

FOCUS Engineering will provide resident and council communication, conduct public meetings, project management, coordinate the project permitting, and will lead the construction administration for the project. FOCUS will also oversee the project design and quality control review, and provide the construction contract and master specifications to be incorporated with the project plans. Construction observation services will be retained at a later date once the project has been bid and awarded for construction.

The RFP was sent to four firms from the City's Engineering Consultant Pool, including Bolton & Menk, SRF Consulting, Stantec Consulting, and TKDA.

The proposals were received and ranked on the basis of:

- Project Team Qualifications with a focus on State Aid design,

- Demonstrated understanding and experience with the project; and understanding of the critical success factors,
- Understanding the scope of work and the roles and responsibilities of the Consultant,
- Collaboration skills and responsiveness demonstrated during the RFP submittal process,
- Engineering Fees.

The attached Table 1 summarizes the fees proposed by each consultant, ranging from \$77,000 (924 hours of work effort) to \$117,809 (1,109 hours of work effort). Engineering Fees are subtotaled for each project phase including Plans and Specifications, Bidding, and Construction Support Services (including construction staking).

The City Engineer is recommending a contract be awarded to TKDA, Inc. TKDA has assigned a qualified team appropriate for the level of work required for this project, they were engaged and responsive throughout the proposal preparation process, they have demonstrated a thorough understanding of the work to be performed by them, and they were the lowest cost.

The project Feasibility Report assumed that VBWD would not require the construction of Stormwater BMPs as part of the project. We plan to pursue project approval without Stormwater BMPs. However, if VBWD requires Stormwater BMPs, additional engineering services will be necessary. Therefore, the City Engineer recommends that the contract include an engineering contingency amount of \$5,000 in the event Stormwater BMPs are required for VBWD permit approval.

**RECOMMENDATION:** Staff is recommending that the city council consider awarding, *as part of the Consent Agenda*, the Professional Engineering Support Services Contract for the Keats MSA Street and Trunk Watermain Improvements to TKDA, Inc. in the estimated not to exceed amount of \$77,000 with a \$5,000 contingency if required for Stormwater BMPs.

**ATTACHMENTS:**

1. Table 1: Proposal Cost Summary

**CITY OF LAKE ELMO, MINNESOTA**  
**Keats MSA Street and Trunk Watermain Improvements**  
**Project No. 2012.129**  
**DATE: October 25, 2012**

**TABLE NO. 1 PROPOSAL COST SUMMARY**

| Consulting Firm                   | Total Engineering | P&S      | Bidding | Construction | Construction Staking |
|-----------------------------------|-------------------|----------|---------|--------------|----------------------|
| STANTEC Consulting Services, Inc. | \$99,885          | \$61,642 | \$2,149 | \$11,294     | \$24,800             |
| TKDA, Inc.                        | \$77,000          | \$58,300 | \$1,900 | \$6,576      | \$10,224             |
| Bolton & Menk, Inc.               | \$88,888          | \$65,510 | \$2,424 | \$10,314     | \$10,640             |
| SRF Consulting, Inc.              | \$117,809         | \$77,027 | \$1,564 | \$10,026     | \$28,826             |



## MAYOR AND COUNCIL COMMUNICATION

DATE: 11/07/2012

**CONSENT**

ITEM #: 7

**MOTION TO APPROVE**

**AGENDA ITEM:** Accept Resignation of City Clerk Sandie Thone and Approve  
Appointment of City Clerk Adam Bell

**SUBMITTED BY:** Sandie Thone, City Clerk

**THROUGH:** Dean A. Zuleger, City Administrator

### **SUMMARY AND ACTION REQUESTED:**

As part of the Consent Agenda the City Council is respectfully requested to accept my resignation dated November 17, 2012 in which I have agreed to successfully see the city through the November 6, 2012 General Election and serve the thirty days designated per my employment contract from the date of my resignation. My last day working for the City of Lake Elmo will be November 16, 2012. I wish to extend my appreciation for the opportunity to serve the City of Lake Elmo and the community. I wish to sincerely thank all of those who have shown me such kindness and I leave knowing I have developed some good friendships and can feel good about the things we have accomplished together this year.

As part of the Consent Agenda the City Council is respectfully requested to appoint Deputy Clerk Adam Bell as City Clerk. City Administrator Dean Zuleger has recommended Mr. Bell for the position of City Clerk citing his experience as a department supervisor for the Denton County Clerk's Office and his education which includes a Bachelor's degree from Gustavus Adolphus College and a Juris Doctor from the University of St. Thomas School of Law as assets to the position.

Additionally, Mr. Bell has my complete support and confidence and will do well to serve the city as its next City Clerk. Adam has proven leadership qualities, a commitment to doing the right thing and strong initiative in analyzing processes and procedures for efficiencies.

### **RECOMMENDATION:**

*Staff recommends the City Council accept the resignation of City Clerk Sandie Thone effective November 16, 2012 and approve the appointment of Adam Bell as City Clerk for the City of Lake Elmo at a starting salary of \$60,000 with a start date of November 19, 2012.*

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION 2012-XX**

**A RESOLUTION APPOINTING CITY CLERK**

**WHEREAS**, the City of Lake Elmo appointed Sandie Thone as City Clerk in April 2012; and

**WHEREAS**, Ms. Thone submitted her letter of resignation on October 17, 2012 and her last day of employment with the city will be November 16, 2012; and

**WHEREAS**, The City Council desires to fill the position internally by appointing Deputy Clerk Adam Bell to the position of City Clerk effective upon approval by the City Council.

**NOW THEREFORE BE IT RESOLVED**, the City of Lake Elmo City Council appoints Adam Bell as City Clerk for the City of Lake Elmo effective upon approval.

**ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE SEVENTH DAY OF NOVEMBER 2012.**

(Seal)

By: \_\_\_\_\_  
Dean A. Johnston, Mayor

\_\_\_\_\_  
Sandie Thone, City Clerk



## MAYOR AND COUNCIL COMMUNICATION

DATE: 11/7/12

**REGULAR**

ITEM #: 8

**RESOLUTION**

**AGENDA ITEM:** Conditional Use Permit/Grading Project – Gatsby Investors, LLC at 9242 Hudson Boulevard North

**SUBMITTED BY:** Kyle Klatt, Planning Director

**THROUGH:** Dean A. Zuleger, City Administrator

**REVIEWED BY:** Planning Commission  
Ryan Stempski, City Engineer  
Nick Johnson, City Planner

### **SUMMARY AND ACTION REQUESTED:**

The City Council is being asked to consider a Conditional Use Permit request from Joe Heinen, Gatsby Investors I, LLC for a Conditional Use Permit to conduct a substantial grading project at 9242 Hudson Boulevard North. The proposed grading project would allow the expansion of the ski and snowboard demonstration area currently used by Summit Ski and Board Shop for outfitting customers, training, demonstrations, and marketing and promotional events. A conditional use permit is required for the grading because it would involve the moving of over 400 cubic yards of material per acre on this site.

The recommended motion to act on this request is as follows:

***“Move to approve Resolution 2012-XX approving a conditional use permit to allow a substantial grading project at 9242 Hudson Boulevard North.”***

### **BACKGROUND INFORMATION:**

The Planning Commission reviewed this application at its September 10, 2012 meeting, and tabled taking action on the request at this time in order to give the applicant additional time to address deficiencies with the plans as submitted. The initial Staff report is attached to this memorandum, which includes a more detailed summary of the request, a brief overview of the site, along with the initial set of Staff review comments. Any revisions to this previous report were presented to the Planning Commission at its October 22, 2012 meeting and are include in

the following sections of the Council summary. The revised set of plans and any updated Staff reviews are also attached for consideration by the City Council.

The updated plans have addressed the most immediate concerns from Staff regarding the proposed grading project by moving all grading and filling activity outside of the septic system drain field area and by providing for access to the proposed pond on the north half of the site. All other aspects of the submitted plans remain relatively unchanged from the previous submittal. The applicant has provided an updated project narrative (attached) that summarizes the revisions and provides a response to specific concerns from the City Engineer's last review.

The City Engineer has reviewed the revised plans and provided his comments in the attached letter dated October 17, 2012. As a part of this letter, the Engineer includes several comments concerning the design and maintenance of the proposed ponding area. Ultimately, this pond is considered a critical component of the storm water plan for the property, and therefore will need to meet the City's design requirements for such areas. The specific issues associated with the pond that must be addressed are included in the City Engineer's comments and should be included as a condition of approval.

Other concerns/issues that were identified by Staff previously are still applicable, and include the following:

- Written approval from the easement holder of the gas line that crosses the property must be obtained from this entity before any grading work may commence on the site.
- The proposed project will impact a large number of existing trees and vegetation on the property. The Planning Commission is recommending that the applicant be required to submit a landscape plan that includes a number of trees equal to 50% of the total that current exist on the site.
- Access to the ski hill should be primarily through the retail sales building since the ski hill is considered accessory to a permitted retail use.
- The applicant will need to secure a permit from the South Washington Watershed District prior to commencing any grading or filling activity on the site.
- Any lighting used on or around the ski hill must comply with applicable City requirements.

Based on the revised submission materials, Staff would like to make the following additional comments and recommendations:

- The proposed grading and filling activity must not disturb the existing drain field. The applicant will need to adequately protect this area during construction and limit the extent of any grading and filling so that it does not negatively impact the operation or capacity of the on-site treatment system.

- The plans will need to be modified to include all modifications requested by the City Engineer to bring the ponding area into compliance with City requirements. Any modifications required to obtain watershed district approval must also be submitted for review and approval by the City Engineer.
- The proposed access road to the pond is not wide enough to allow for sufficient public access. Although the proposed grading as proposed will allow for access, the access easement should be expanded to a minimum of 15 feet.
- All other requirements as specified by the City Engineer in the attached review letter must be met by the applicant prior to the start of any activity associated with the submitted plans.

#### **PLANNING COMMISSION REPORT:**

The Planning Commission conducted a public hearing on the proposed Conditional Use Permit at its September 10, 2012 meeting and did not receive any comments from public. During its review of the revised plans, the Commission reviewed the draft list of conditions as recommended by Staff and made revisions to two of the conditions and added two conditions as part of its recommendation. The revised conditions are listed as part of Resolution attached to this memorandum. The Commission found that the proposed grading project met the requirements for the issuance of a Conditional Use Permit and unanimously recommended that the City Council approve the request.

#### **RECOMMENDATION:**

Based upon the above background information, Staff report and Planning Commission recommendation, it is recommended that the City Council approve the request from Joe Heinen, Gatsby Investors I, LLC for a Conditional Use Permit to conduct a substantial grading project at 9242 Hudson Boulevard North by undertaking the following action:

***“Move to approve Resolution 2012-XX approving a conditional use permit to allow a substantial grading project at 9242 Hudson Boulevard North.”***

#### **ATTACHMENTS:**

1. Draft Resolution of Approval
2. Detailed Staff Report (from 9/10/12 Commission Meeting)
3. Land Use Application
4. City Engineer Review – 10/17/12
5. Applicant Response to Previous Review
6. South Washington Watershed District Comments

7. Location Map
8. Grading and Erosion Control Plans

**SUGGESTED ORDER OF BUSINESS:**

- Introduction of Item ..... City Administrator
- Report/Presentation.....Planning Director
- Questions from Council to Staff..... Mayor Facilitates
- Public Input, if Appropriate ..... Mayor Facilitates
- Call for Motion ..... Mayor & City Council
- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2012-XX**

*A RESOLUTION APPROVING A CONDITIONAL USE PERMIT TO ALLOW THE GRADING  
AND EXCAVATING OF OVER 400 CUBIC YARDS OF MATERIAL PER ACRE AT  
9242 HUDSON BOULEVARD NORTH*

**WHEREAS**, the City of Lake Elmo is a municipal corporation organized and existing under the laws of the State of Minnesota; and

**WHEREAS**, Joe Heinen of Gatsby Investors I, LLC, 595 Lake Ridge Drive, Shoreview, MN 55126 (the "Applicant") has submitted an application to the City of Lake Elmo (the "City") for a Conditional Use Permit to conduct a substantial grading project at 9242 Hudson Boulevard North that will involve the moving of over 400 cubic yards of material per acre on the site, a copy of which is on file with the City; and

**WHEREAS**, notice has been published, mailed and posted pursuant to the Lake Elmo Zoning Ordinance, Section 154.018; and

**WHEREAS**, the Lake Elmo Planning Commission held a public hearing on said matter on September 10, 2012 and further reviewed said application at its October 22, 2012 meeting; and

**WHEREAS**, the Lake Elmo Planning Commission has submitted its report and recommendation to the City Council as part of a Staff Memorandum dated November 7, 2012; and

**WHEREAS**, the City Council considered said matter at its November 7, 2012 meeting.

**NOW, THEREFORE**, based on the testimony elicited and information received, the City Council makes the following:

**FINDINGS**

- 1) That the procedures for obtaining said Conditional Use Permit (CUP) are found in the Lake Elmo Zoning Ordinance, Section 154.018.
- 2) That the procedures for obtaining a grading and excavating permit are found in the Lake Elmo Zoning Ordinance, Section 151.017.
- 3) That all the submission requirements of said 151.017 have been met by the Applicant.

- 4) That the proposed permit is to conduct a substantial grading project at 9242 Hudson Boulevard North that will involve the moving of over 400 cubic yards of material per acre on the site.
- 5) That the proposed permit will be located on property legally described as follows and commonly known as 9242 Hudson Boulevard North:

The South 675 feet of the West 333 feet of the East Half of the Southwest Quarter of Section 34, Township 29, Range 21, Washington County, Minnesota.

TOGETHER WITH

That part of Southeast Quarter of the Southwest Quarter of Section 34, Township 29, Range 21, Washington County, Minnesota, described as follows:

Beginning at the southwest corner of said Southeast Quarter of the Southwest Quarter; thence North 00 degrees 02 minutes 55 seconds East, assumed bearing along the west line of said Southeast Quarter of the Southwest Quarter, a distance of 1318.69 feet to the northwest corner of said Southeast Quarter of the Southwest Quarter; thence North 89 degrees 55 minutes 22 seconds East, along the north line of said Southeast Quarter of the Southwest Quarter, a distance of 173.46 feet; thence South 16 degrees 08 minutes 55 seconds East a distance of 750.83 feet; thence North 89 degrees 57 minutes 05 seconds West a distance of 49.90 feet to the east line of the West 333 feet of the East Half of the Southwest Quarter of said Section 34; thence South 00 degrees 02 minutes 55 seconds West, along said east line, a distance of 597.17 feet to the south line of said Southeast Quarter of the Southwest Quarter; thence South 89 degrees 53 minutes 57 seconds, along said south line, a distance of 333.00 feet to the point of beginning.

EXCEPT the South 675 feet of the West 333 feet of the East Half of the Southwest Quarter of Section 34, Township 29, Range 21, Washington County, Minnesota. All in Washington County, State of Minnesota. PID Number: 02-029-21-21-0003

- 6) That the proposed grading and excavating plans have been reviewed for consistency with the grading permit standards found in Section 151.017.
- 7) That the proposed grading and excavating plans are in compliance with said grading permit standards provided certain conditions of approval are met by the Applicant.
- 8) That the proposed grading and excavating project will not negatively affect the health, safety, morals, convenience, or general welfare of surrounding lands.
- 9) The proposed grading and excavating project will not affect traffic or parking conditions.
- 10) The proposed grading and excavating project will not have an effect on utility or school capacities.
- 11) The proposed grading and excavating project would have no effect on property values of surrounding lands.

## CONCLUSIONS AND DECISION

Based on the foregoing, the Applicants' application for a Conditional Use Permit is granted subject to the following conditions:

- 1) Written approval from the easement holder of the gas line that crosses the property must be obtained from this entity before any grading work may commence on the site.
- 2) The applicant shall submit a landscape plan for review and approval by the Planning Director prior to the commencement of any grading or filling activity on the site. The landscape plan must include a total number of trees equal to at least 50% of the number that presently exist on the site and as documented on the provided tree protection plan. All replacement trees shall not be less than 1.5 inch in caliper measured at 54 inches above grade level.
- 3) All customer access to the ski hill shall be through the retail sales building and shall avoid impacting the drain field area. The ski hill may only be in operation during times when the retail sales building is open for business.
- 4) The applicant will need to secure a permit from the South Washington Watershed District (SWWD) prior to commencing any grading or filling activity on the site. Any modifications to the approved plans that result from the SWWD review must be reviewed and approved by the City Engineer.
- 5) The grading and filling activity must not disturb the existing drain field on the site. The applicant will need to provide temporary fencing to protect this area prior to and during construction and must further limit the extent of any grading and filling so that it does not negatively impact the operation or capacity of the on-site treatment system
- 6) The applicant must provide for long-term protection of the drain field once the grading and filling activity has been completed in accordance the plans. This permanent protection may take the form of fencing or another mechanism approved by the Planning Director.
- 7) All easements as required by the City Engineer pertaining the pond and public access to the pond shall be provided prior to the commencement of any grading or filling activity on the site. The easement providing access to the pond shall be a minimum of 15 feet in width.
- 8) The grading of the pond area shall comply with all applicable City requirements, and any modifications needed to obtain compliance shall be reviewed and approved by the City Engineer.

- 9) Any lighting used on or around the ski hill must comply with applicable City lighting requirements. No lighting on the skill hill is allowed after 9:00 p.m. or after the retail sales business is closed, whichever is earlier.
- 10) The applicant shall demonstrate to the satisfaction of the Planning Director and City Engineer that adequate measures have been taken to prevent accidental access to the storm water pond area.
- 11) All other requirements as specified by the City Engineer in the October 17, 2012 review letter must be met by the applicant prior to the start of any activity associated with the submitted plans.
- 12) Any noise generated from activities on or around the ski hill shall fall under the levels allowed under the City's nuisance ordinances.

Passed and duly adopted this 7<sup>th</sup> day of November 2012 by the City Council of the City of Lake Elmo, Minnesota.

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Dean A. Johnston  
Mayor

ATTEST:

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Sandie Thone  
City Clerk

City of Lake Elmo Planning Department  
**Conditional Use Permit Request**

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**To: Planning Commission**

**From:** Kyle Klatt, Planning Director

**Meeting Date:** September 10, 2012

**Applicant:** Joe Heinen, Gatsby Investors I, LLC (Alan Dale, Dale Properties, LLC as co-applicant)

**Owner:** Gatsby Investors I, LLC and Dale Properties, LLC

**Location:** 9242 Hudson Boulevard North

**Zoning:** HD-GB-SRD and HD-RR-SRD

***Introductory Information***

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***Application  
Summary:***

The City of Lake Elmo has received a request from Joe Heinen, Gatsby Investors I, LLC for a Conditional Use Permit to conduct a substantial grading project at 9242 Hudson Boulevard North. The proposed grading project would allow the expansion of the ski and snowboard demonstration area currently used by Summit Ski and Board Shop for outfitting customers, training, demonstrations, and marketing and promotional events. A conditional use permit is required for the grading because it would involve the moving of over 400 cubic yards of material per acre on this site.

The proposed grading project would extend across the northern portion of the Gatsby Investors I, LLC property; therefore, the adjacent property owner has been required to co-sign the application and has furthermore expressed their support for this project as proposed.

***Property  
Information:***

The project site is located roughly midway between Keats and Inwood Avenue along Hudson Boulevard North. There are three properties in this location that are zoned General Business, with the applicant's property situated at the far eastern edge of the commercial-zoned area. According to City records, the building that is presently on the site was initially constructed in the early 1970's, with a series of additions and remodels in the subsequent period of time that have resulted in the present facility. There are five tenants currently in this building, including Hot Springs Portable Spas, Heritage Hous beauty salon, Home Essentials seasonal boutique, the Skills Sports Training facility, and the Summit Boardshop.

As part of its business, the Summit Boardshop operates an indoor skate park and demonstration area in addition to a small outdoor ski hill in the rear portion of the lot for equipment testing and demonstrations. The proposed grading project would expand this existing ski hill substantially in size, both in terms of the area used for the hill and the height of the hill. The current hill is approximately 25 feet higher than the

grade at which the building has been built, while the proposed grading would allow the construction of a hill that is 60 feet higher than the base of the building.

The adjacent property to the west and north is presently owned by Dale Properties, and is vacant except for narrow strips of land that are used the motorized hang gliders stored in a building on the next parcel over. All of this property is presently guided for sewer residential use in the Comprehensive Plan; however, the Planning Commission has recommended approval of a revised land use plan that would change the future land use for most of this property to Commercial. In the interim, the City has adopted a holding district designation for all properties to be served by public sanitary sewer, and these holding districts allow for the continued use and development of property in accordance with the current zoning (which in this case is either General Business or Rural Residential).

The area that will be impacted by the proposed grading project is currently vacant with the exception of some larger trees along and near the western property line and a gas line easement that cuts diagonally across the Dale Properties land. The attached existing conditions, site, and grading plans illustrate the location of this easement, and the limits of the grading project will extend to this line.

In reviewing the City's past approval of projects associated with the applicant's site, there are a few issues that warrant further investigation but that are not directly related to the present request. These issues include the following:

- At the time of the last major expansion of the building at 9242 Hudson Boulevard North, the City allowed the construction of fewer parking stalls required by the code and as shown on the approved site plan. 51 parking spaces were deemed to be the minimum number required, 40 were authorized to be constructed, and 48 were reserved for future use. Sometime since the 1986 expansion, the parking lot has been expanded with the addition of a crushed rock area so that there are now roughly 49 paved stalls and 48 unpaved stalls on the property. The City code requires all commercial parking lots to be paved, which means the crushed rock area should either be removed or paved in accordance with the approved site plan.
- The building is situated with a non-conforming setback of only 4.2 feet from the eastern property line. There is an area that appears to now be used for loading and unloading, parking, and general access over the property line in this area. Because this area is not part of the business site and there is no allowance for additional parking or access on the approved site plan, the continued use of this area by the businesses at 9242 Hudson Boulevard North should cease.
- There are review comments in the City's files from the South Washington Watershed District (SWWD) related to a 2005 project that do not appear to have ever been implemented. Any future parking lot work should either address these comments or will need to be handled as part of a new permit from the Watershed District. Please note that the current CUP/Grading request does require permit from SWWD and will be noted as a condition of approval.

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| <b>Applicable Codes:</b> | <p><b>Section 154.018 Administration.</b></p> <p><u>Conditional Use Permits.</u> Outlines the general requirements for all conditionally permitted uses in Lake Elmo.</p> <p><b>Section 151.017 Excavating and Grading Permits.</b></p> <p>States that “no person shall undertake, authorize, or permit any of the following actions without first having obtained a grading and excavating permit from the city”, which list the following among these actions: “Grading and excavating plans that result in the moving of 400 cubic yards of material per acre require a public hearing and approval of the City Council”. Staff has recommended that the permit be reviewed as a Conditional Use and follow the hearing procedures for a CUP.</p> |
|--------------------------|--|

### ***Findings & General Site Overview***

|                   |  |
|-------------------|--|
| <b>Site Data:</b> | <p><b>Lot Size:</b> 5.16 acres plus approximately 4 acres of the Dale Properties parcel</p> <p><b>Existing Use:</b> General Commercial and Retail</p> <p><b>Existing Zoning:</b> GB – General Business and RR – Rural Residential (Dale Properties)</p> <p><b>Property Identification Numbers (PID):</b> 34.029.21.34.0004 and 34.029.21.34.0003 (Dale Properties)</p> |
|-------------------|--|

### ***Application Review:***

|                            |   |
|----------------------------|---|
| <b>CUP/Grading Review:</b> | <p>The applicant has submitted a series of plans intended to comply with the City’s grading and erosion control standards. Due to the more technical nature of this review, the City’s Engineer has spent a fair amount of time reviewing these plans, which ultimately led to several revisions and updates in order to bring the plans into conformance with the City’s application requirements. Given the scope of this project, Staff has broken down its review into two parts: comments that are more general in nature and those that are specific to the City’s grading and excavation requirements.</p> <p>Please note that based on the information submitted to date, Staff is not recommending approval of the project, and instead is recommending that the Planning Commission table taking action on this request in order to give the applicant time to address those comments that will very likely require revisions to the plans. Other comments and concerns that will not require any plan revisions may be addresses as conditions approval when this item comes back before the Planning Commission. The Planning Commission could also consider taking action to recommend approval or denial of the request at its meeting as long as it adopts findings of fact to support its decision.</p> <p>Generally, Staff would like to note the following concerns with the project as proposed:</p> <ul style="list-style-type: none"> <li>• The proposed grading would result in a large hill that is 35 feet higher than the one presently on the property. The final grades and hill will be visible from</li> </ul> |
|----------------------------|---|

not only immediately adjacent parcels, but those that are further away as well.

- There is an existing gas line that crosses the Dale Properties parcel, and the applicant is proposing to grade within the easement for this pipeline. Written approval from the easement holder must be provided to the City before any grading will be allowed in this location.
- There are a number of trees that will be removed due to the grading. The applicant has submitted a Tree Inventory Plan that indicates 22.7% of the trees will be saved. Staff is recommending that some of the trees lost be replaced in order to better bring the project into conformance with the City's grading permit standards.
- Because the ski hill is considered accessory to the permitted retail uses on the property, all access to the hill and demonstration area should be through the existing building. Staff is not recommending that direct access from the exterior of the building be allowed as a condition of approval.
- The watershed district has not yet received plans for review, and the proposed grading project will require a permit from the South Washington Watershed District. The City Engineer has asked that the applicant provide documentation that this permit has been secured before any construction is allowed on the site, and any changes to the site plan approved by the City as a result of the watershed district review will need to be reviewed and approved by the City prior to construction.

In addition to the general comments noted above, the City Engineer has submitted his detailed review in the form of the attached letter. The two most significant issues identified in this letter are as follows:

- The proposed grading would extend into the current drain field for the property. The applicant either needs to remove any grading from this portion of the site or develop an alternative that provides for a treatment area on the site that meets current County requirements.
- Access to the proposed ponding area has been requested by the City Engineer but is not shown on the attached plans. This access is critical in order to properly maintain the storm water pond.

Other comments concerning these issues in particular may be found in the Engineer's report under the heading "Engineering review comments requiring resubmittal". The other portion of the Engineer's review includes additional comments that could be addressed as conditions of approval once revised plans have been submitted. This list includes requirements specific to the storm water pond and maintenance of this pond, permit approvals from SWWD, Pollution Control Agency permits, tree preservation and replacement plans, and the gas pipeline.

Once a revised plan is submitted, Staff will provide the Planning Commission with a more thorough review of the project's conformance with the City's grading and excavating standards. These standards were ultimately used by the City Engineer in

|  |  |
|--|--|
|  | conducting his review.   |
| <b>Conditional Use Permit Conclusions:</b> | <p>Based on the above analysis and Staff review, Staff is recommending that the Planning Commission table taking action on the request by Gatsby Investors I, LLC for a Conditional Use Permit to conduct a substantial grading project at 9242 Hudson Boulevard North, based on the following:</p> <ol style="list-style-type: none"><li>1. The plans as submitted require revisions in order to address concerns that:<ol style="list-style-type: none"><li>a. The grading as proposed would impact the current subsurface treatment system on the property; and</li><li>b. The applicant has not provided access for maintenance purposes to the proposed storm water pond.</li></ol></li></ol> |
| <b>Resident Concerns:</b>                  | <p>A public hearing notice was sent to all property owners within 350 feet of the applicant's property. Staff has not received any feedback from any surrounding property owners.</p>  |
| <b>Additional Information:</b>             | <p>The attached letter from the South Washington Watershed District indicates that a watershed district permit is required for the prokect.</p>  |
| <b>Conclusion:</b>                         | <p>The applicant is seeking approval to conduct a substantial grading project at 9242 Hudson Boulevard North.</p>  |
| <b>Commission Options:</b>                 | <p>The Planning Commission has the following options:</p> <ol style="list-style-type: none"><li>A) Table taking action on this request until revisions to the plans area completed in accordance with the City's review comments..</li><li>B) Recommend approval of the request with findings of fact to support this motion.</li><li>C) Recommend denial of the request with findings of fact to support this motion</li></ol> <p>The 60-day review period for this application expires on 10/21/12, but can be extended an additional 60 days if more time is needed.</p>  |
| <b>Staff Rec:</b>                          | <p><b>Staff is recommending that the Planning Commission table</b> the request from Joe Heinen, Gatsby Investors I, LLC for a Conditional Use Permit to conduct a substantial grading project at 9242 Hudson Boulevard North</p>   |

cc: Joe Heinen, Gatsby Investors I, LLC  
Alan Dale, Dale Properties, LLC

City of Lake Elmo  
DEVELOPMENT APPLICATION FORM

Fee \$ \_\_\_\_\_

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Comprehensive Plan Amendment    | <input type="checkbox"/> Variance * (See below)                      | <input type="checkbox"/> Residential Subdivision Preliminary/Final Plat |
| <input type="checkbox"/> Zoning District Amendment       | <input type="checkbox"/> Minor Subdivision                           | <input type="radio"/> 01 - 10 Lots                                      |
| <input type="checkbox"/> Text Amendment                  | <input type="checkbox"/> Lot Line Adjustment                         | <input type="radio"/> 11 - 20 Lots                                      |
| <input type="checkbox"/> Flood Plain C.U.P.              | <input type="checkbox"/> Residential Subdivision Sketch/Concept Plan | <input type="radio"/> 21 Lots or More                                   |
| <input type="checkbox"/> Conditional Use Permit          |  | <input checked="" type="checkbox"/> Excavating & Grading Permit         |
| <input type="checkbox"/> Conditional Use Permit (C.U.P.) | <input type="checkbox"/> Site & Building Plan Review                 | <input type="checkbox"/> Appeal   |
|  |  | <input type="checkbox"/> PUD  |

APPLICANT: Gatsby Investors I LLC 595 Lake Ridge Dr Shoreview MN 55126  
(Name) (Mailing Address) (Zip)

TELEPHONES: 612 347 0171 612 386 3894  
(Home) (Work) (Mobile) (Fax)

FEE OWNER: Gatsby Investors I LLC  
(Name) (Mailing Address) (Zip)

TELEPHONES: 612 347 0171 612 386 3894  
(Home) (Work) (Mobile) (Fax)

heinen@ghjm.co

PROPERTY LOCATION (Address and Complete (Long) Legal Description):

9242 Hudson Blvd N Lake Elmo MN 55042  
South 675 feet of the West 333 feet of the East Half of the South West  
Quarter of Section 34, Township 29, Range 21, Washington County

DETAILED REASON FOR REQUEST: Expansion of ski and snowboard area  
Currently used by Summit Ski and Board Shop for outfitting  
customers, training and demonstration, and marketing and  
promotional events.

\*VARIANCE REQUESTS: As outlined in Section 301.060 C. of the Lake Elmo Municipal Code, the Applicant must demonstrate a hardship before a variance can be granted. The hardship related to this application is as follows:

In signing this application, I hereby acknowledge that I have read and fully understand the applicable provisions of the Zoning and Subdivision Ordinances and current administrative procedures. I further acknowledge the fee explanation as outlined in the application procedures and hereby agree to pay all statements received from the City pertaining to additional application expense.

Signature of Applicant

Date

Signature of Applicant

Date

## MEMORANDUM

# FOCUS ENGINEERING, inc.

Cara Geheren, P.E. 651.300.4261  
Jack Griffin, P.E. 651.300.4264  
Ryan Stempski, P.E. 651.300.4267

Date: October 17, 2012

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To: Kyle Klatt, Planning Director  
Cc: Nick Johnson, City Planner  
Jack Griffin, P.E., City Engineer  
From: Ryan Stempski, P.E.

Re: City of Lake Elmo  
9242 Hudson Boulevard Grading Permit

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We have received updated information for the Excavating & Grading Permit submittal documentation for 9242 Hudson Boulevard. The following items were received:

- Final Grading & Erosion & Sediment Control Plan prepared by James J. Hill, Inc., dated August 2, 2012.
- Point-by-Point Response Letter from Joel Cooper, P.E. (James J. Hill, Inc.), dated October 4, 2012.

**This project cannot be recommended for approval at this time. The following comments must be addressed prior to engineering approval:**

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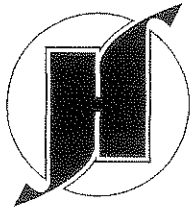
### Engineering review comments requiring resubmittal:

1. The Grading Plan (Sheet 2.3) must be revised to show protective fencing around the drainfield prior to construction. Long term protection from the drainfield area must also be provided in the plan.
2. Wood fiber blanket must be used for erosion control (update Sheet 2.1 & 2.2 accordingly).
3. The maintenance access road to the pond must be appropriately stabilized for use by maintenance equipment and vehicles a minimum of 10 feet wide.
4. A stormwater pond detail must be provided to show a side slope of 10H:1V for the first 10 feet, then a maximum of 3H:1V beyond the first 10 feet. The Grading Plan (Sheet 2.3) must be revised accordingly.
5. The Pond Easement Sketch and Description must be revised to create a standard geometric shape and/or follow other property lines and/or existing physical features. The non-standard shape as proposed will create difficulties for identifying easement areas in the field for the areas to be maintained / protected.

### Additional Engineering review comments:

1. The proposed Stormwater pond is to be owned and maintained by the property owner. A Maintenance Agreement must be executed with the City of Lake Elmo and recorded with Washington County.
2. The drainage easement over the pond and maintenance access road must also be granted in the name of the City of Lake Elmo.
3. This project requires a Permit from the South Washington Watershed District (SWWD). A copy of the Permit Approval must be provided to the City before the project can begin construction. If, in the course of acquiring a permit from SWWD the applicant makes any plan revisions, a copy of the revised plans must also be re-submitted to the City for further review and approval.

4. Prior to the start of any construction, and once the applicant has a Contractor in place for the work, a copy of the MPCA NPDES Stormwater Permit must be provided to the City of Lake Elmo.
5. The Tree Inventory Plan indicates significant tree removal as part of this project. A majority of the existing trees along the west property are shown for removal. The City should consider the provisions of the City Code in Section 151.017 (J) Grading Permit standards as they reference efforts to minimize tree removal, maintain screening, and restore site aesthetics through landscaping.
6. Prior to the start of any construction written approval from BP Pipelines (North America), Inc. must be provided to the City of Lake Elmo for the proposed grading within the gas easement along the east side of the property. If plans are revised to avoid this grading work or as a result of BP comments, the revised plans must be re-submitted to the City of Lake Elmo for further review and approval.



**JAMES R. HILL, Inc.**

**PLANNERS ENGINEERS SURVEYORS**

*Serving our Clients since 1976*

2500 WEST COUNTY ROAD 42, SUITE 120

BURNSVILLE, MINNESOTA 55337

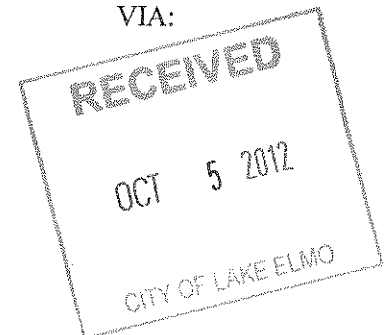
PH. (952) 890-6044 FAX (952) 890-6244

DATE: October 4, 2012

TO: Mr. Kyle Klatt- Planning Director  
City of Lake Elmo  
3800 Laverne Ave. N.  
Lake Elmo, MN 55042

RE: 9242 Hudson Blvd. Grading Permit

VIA:



Dear Mr. Klatt:

We have received the comments regarding the above referenced project from Focus Engineering Inc. and offer the following plan revisions and comments.

1. We have revised the grading plan so there will be no fill placed over the existing drainfield on-site. The location of the drainfield is shown on the plan.
2. We have revised the grading plan to allow for a maintenance access from the existing parking lot.
3. The grading plan modifications made have not changed the drainage areas or pond size so that the current drainage model is still reflective of our proposal.
4. We have revised the pond easement sketch to include the maintenance access road.
5. The easement is reflective of the pond on the grading plan which is established to maximize the ski-hill feature that is the basis for the project. This is a temporary pond and it is anticipated the maintenance of this pond will be provided by the owner.

Additional review comments:

1. As stated earlier the owner will be maintaining the ponding area and will enter into a maintenance agreement with the City of Lake Elmo.
2. The easement and maintenance road easement will be provided in the city's name.
3. We will obtain a watershed permit prior to commencing grading operations.
4. We will obtain and post the NDPES permit on site as required by the MPCA.
5. We will attempt to save the trees along the west property line as demonstrated with the grading plan.
6. We will provide documentation of an agreement to grade on B.P. pipeline prior to commencing grading operations.

If you have any other questions or require additional information, please call.

Sincerely,  
**JAMES R. HILL, INC.**

A handwritten signature in black ink, appearing to read "Joel G. Cooper", with a stylized flourish at the end.

Joel G. Cooper, P.E.  
President

Cc: Joe Heinen



September 6, 2012

Kyle Klatt  
Planning Director  
City of Lake Elmo  
3800 Laverne Ave N  
Lake Elmo, MN 55042

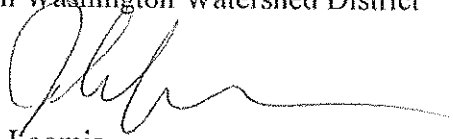
RE: Gatsby Investors LLC Expansion at 9242 Hudson Rd

Dear Mr. Klatt:

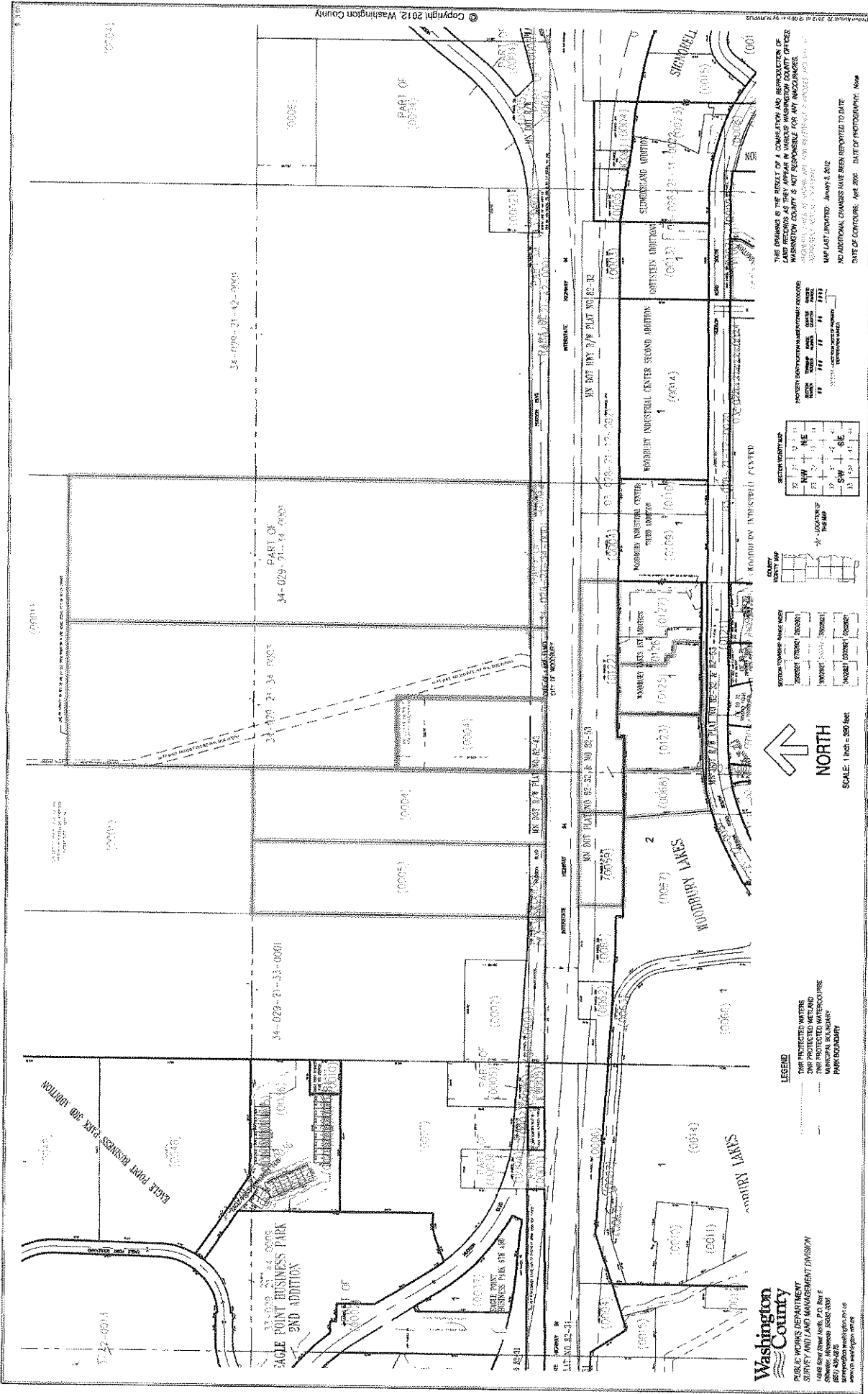
SWWD has received a copy of the Conditional Use Permit application for expansion of the Gatsby Investors property at 9242 Hudson Rd. This project is subject to SWWD permitting. We have not received a permit application and the information submitted with the CUP application is insufficient to review the project. The developer will find information on required submittals within SWWD's rules (1.3) at <http://www.swwdmn.org/pdf/SWWDRules03282012.pdf>.

If you have any questions or need additional information, please contact me at 651/714-3714 or [jloomis@ci.woodbury.mn.us](mailto:jloomis@ci.woodbury.mn.us).

Sincerely,  
South Washington Watershed District



John Loomis  
Water Resource Specialist



**Washington County**  
PUBLIC WORKS DEPARTMENT  
SURVEYING AND MANAGEMENT DIVISION  
1400 East Main Street, P.O. Box 6  
Seaside, Oregon 97138-0006  
(503) 425-0875  
www.co.washington.or.us

**LEGEND**  
DWP PROTECTED WATERS  
DWP PROTECTED WETLANDS  
DWP PROTECTED FOREST  
MUNICIPAL BOUNDARY  
PARK BOUNDARY

**NORTH**  
SCALE: 1 inch = 500 feet

**SECTION TOWNSHIP RANGE INDEX**  
TOWNSHIP 36N  
RANGE 12E  
SECTION 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 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## MAYOR & COUNCIL COMMUNICATION

DATE: November 7, 2012  
REGULAR  
ITEM #: 9  
MOTION

**AGENDA ITEM:** 2013 Library Board Appointments

**SUBMITTED BY:** Mayor Dean A. Johnston

**THROUGH:** Library Board Nominating Committee (Park, Zuleger)

**REVIEWED BY:** Dean Zuleger, City Administrator

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**SUMMARY AND ACTION REQUESTED:** Per MN State Statutes, the mayor of a municipality has the authority and responsibility to appoint members of the local library board. The appointment must be affirmed by the members of the City Council. In 2011, the Mayor appointed five regular members and three alternates to the newly created Lake Elmo Library Board. Board members were appointed to staggered 1-Year, 2-Year, and 3-Year terms. Due to expiration and attrition, there are currently two regular board positions coming to term end and one alternate position that needs to be filled.

In addition, the Lake Elmo Library Board is anticipated to expand its Board, per state statute authority, to seven members to accommodate the creation of standing committees and relieve the workload burden of the current Board.

With this understanding, the Mayor, after consultation with the Nominating Committee, makes the following appointments to the Lake Elmo Library Board pending Council affirmation:

- Steve DeLapp, Regular Board, (3 Year Term)
- Sara Linder, Regular Board, (3 Year Term)
- Renee Murray, New Board Designate, (3 Year Term / First Alternate)
- Marjorie Williams, New Board Designate, (1 Year Term)
- Anne Buchek, New Board Alternate, (2 Year Term)

**BACKGROUND INFORMATION:** Per the City Council, the staff of the City of Lake Elmo solicited applications for the Lake Elmo Library Board August of 2012 through November 1st, 2012 via newspaper notice and news story, internet website, and weekly newsletters. As a result, five Lake Elmo residents applied for two vacant board positions and one alternate position. Steve DeLapp currently serves as the Library Board President and has requested reappointment. Sara Linder currently serves as the Library Board Secretary and has requested reappointment. Marjorie Williams currently serves as an alternate to the Library Board and has requested elevation to the regular board. Renee Murray and Anne Buchek have requested appointment to the regular board.

These candidates were forwarded to the City Council-designated Library Board Nominating Committee consisting of the Mayor, Council Member Nicole Park and City Administrator Dean Zuleger for review.

In addition, the Library Board will most likely vote to expand their Board from five members to seven members to better distribute the responsibilities of library operations, outreach and facilities and create some depth of organization. With this in mind, the Library Nominating Committee made recommendations at two levels. First, in the event that the Library Board **does not** expand from a five member to a seven member board, two regular board appointments and an alternate were determined. Second, in the event that the Library Board **does** expand the board, two additional regular board designates and an alternate were determined. Board determinations were made through application review and past service to the Lake Elmo Library.

**RECOMMENDATION:** Per consultation with the Library Board Nominating Committee the Mayor recommends that the City of Lake Elmo City Council affirm the following appointments to the City of Lake Elmo Library Board:

- **Steve DeLapp, Regular Board, (3 Year Term)**
- **Sara Linder, Regular Board, (3 Year Term)**
- **Renee Murray, New Board Designate, (3 Year Term / First Alternate)**
- **Marjorie Williams, New Board Designate, (1 Year Term)**
- **Anne Buchek, New Board Alternate, (2 Year Term)**

**SUGGESTED ORDER OF BUSINESS:**

- Introduction of Item ..... City Administrator
- Report/Presentation..... Mayor Johnston
- Questions from Council to Staff..... Mayor Facilitates
- Public Input, if Appropriate ..... Mayor Facilitates
- Call for Motion ..... Mayor & City Council
- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates



## MAYOR AND COUNCIL COMMUNICATION

DATE: November 7, 2012

**REGULAR**

ITEM #: 10

**MOTION**

**AGENDA ITEM:** 201 Wastewater System Connection Request – 10961 32nd Street

**SUBMITTED BY:** Jack Griffin, City Engineer

**THROUGH:** Dean A. Zuleger, City Administrator

**REVIEWED BY:** Kyle Klatt, Planning Director

**SUMMARY AND ACTION REQUESTED:** The City Council is respectfully requested to consider a request from the property owner at 10961 32nd Street to connect to the city's 201 Wastewater System located along 32nd Street.

**STAFF REPORT:** City staff has received a request from David and Mary Schwarz at 10961 32nd Street to connect to the city's 201 wastewater system located along 32nd Street on the north end of Lake Elmo.

- The current individual wastewater treatment system has been deemed non compliant by Washington County during a point of sale compliance inspection.
- The property owner received County approval to initiate replacement improvements on the property. These improvements were started resulting in the current system being disconnected and made nonoperational.
- From construction related excavations, the County then inspected new soil information indicating the proposed replacement system would not viable.
- On November 2, at the city's request, the County inspected the city's 201 system and determined that the system is functioning as designed and is operating at 50% capacity.

Staff is continuing its investigation of the matter and will be prepared to present additional information at the council meeting including staff recommendations and potential connecting charge requirements should it be determined to approve this request.

**RECOMMENDATION:** Staff is recommending that the city council consider the request from the property owner and provide direction to staff on how to proceed.

**ATTACHMENTS:**

1. Location map

# Lake Elmo Village Area Public Septic

