

AGENDA
CITY OF LEXINGTON
REGULAR COUNCIL MEETING
AUGUST 3, 2017 – 7:00 P.M.
9180 LEXINGTON AVENUE

1. CALL TO ORDER: – Mayor Kurth

- A. Roll Call - Council Members: DeVries, Harris, Hughes and Murphy

2. CITIZENS FORUM

This is a portion of the Council meeting where individuals will be allowed to address the Council on subjects which are not a part of the meeting agenda. Persons wishing to speak may be required to complete a sign-up sheet and give it to a staff person at the meeting. The Council may take action or reply at the time of the statement or may give direction to staff for future action based on the concerns expressed.

3. APPROVAL OF AGENDA WITH CHANGES AND CORRECTIONS

4. LEXINGTON FIRE / RESCUE 2016 ANNUAL REPORT Chief Grote pp. 1-18

5. DOMINIUM DEVELOPMENT INTRODUCTION Ryan Lunderby / Shaun Reinhardt

6. ELHER & ASSOCIATES - DEVELOPMENT EDUCATION PRESENTATION
James Lehnhoff

7. INFORMATIONAL REPORTS:

- A. Airport (Councilmember Harris)
B. Cable Commission (Councilmember Murphy)
C. City Administrator (Bill Petracek)

8. LETTERS AND COMMUNICATIONS:

- A. Council Workshop meeting minutes – July 20, 2017 pp. 19
B. Circle Pines Lexington Lions Club – Meal Packing Event 9-10-2017 pp. 20
C. Public Notice –Planning & Zoning meeting date change pp. 21
D. Centennial Lakes Police Department Media Reports
• July 14, 2017 through July 19, 2017 pp. 22-26
• July 20, 2017 through July 26, 2017 pp. 27-30

Consent Agenda:

The Consent Agenda covers routine administrative matters. These items are not discussed, and are approved in their entirety pursuant to the recommendations on the staff

reports. A Council Member or citizen may ask that an item be moved from the Consent Agenda to the end of section 7 of the agenda in order to be discussed and receive separate action.

9. CONSENT ITEMS:

- A. Recommendation to Approve Council Minutes:
Council Meeting – July 20, 2017

pp. 31- 34

- B. Recommendation to Approve Claims and Bills:

pp. 35-46

Check #'s 13529 through 13530

Check #'s 13531 through 13532

Check #'s 13533 through 13533

Check #'s 42304 through 42378

Check #'s 11509 through 11527

Check #'s 11528 through 11545

Action Items:

These items are intended primarily for Council discussion and action. It is up to the discretion of the Mayor as to what, if any, public comment will be heard on these items. Persons wishing to speak on discussion items must complete a sign-up sheet and give it to a staff person at the meeting.

10. ACTION ITEMS:

- A. Recommendation to approve a Purchase Agreement with Dominion
Acquisition LLC for the Sale of the Lovell Building

pp. 47-62

- B. Recommendation to approve Resolution NO. 17-12 A Resolution Accepting
Proposal On The Sale Of \$1,320,000.00 General Obligation Improvement
And Tax Abatement Bonds, Series 2017A, Providing For Their Issuance
And Pledging For The Security Thereof Special Assessments And Abatement
And Levying A Tax For The Payment Thereof

pp. 63-84

- C. Recommendation to approve Lexington Fire Department request to hire
Firefighter Heather Boser @ \$11.00 per hour

11. MAYOR AND COUNCIL INPUT

12. ADJOURNMENT

2016 Annual Report



LEXINGTON FIRE DEPARTMENT

2016 Annual Report

FIRE HISTORY

What is a "Fire Mark"?

Over a hundred years ago, this was a round (or other shape) iron, copper or lead emblem that was usually placed, on the wall, near the front door of a structure. It denoted the insurance company who had a policy on that property. It was usually made of enough metal to be able to withstand a fire.

The earliest fire marks may have been created soon after the Great Fire of London in 1666. After this fire, London created an insurance system and "fire companies". Once you paid your insurance and affixed the fire mark to your structure, you would have the services of one of the city charted companies. Fire marks (insurance company marks) were used in the U.S. from about 1750 to around 1900.

In the early days of the U. S., there were no municipal fire departments. Fire brigades were sometimes either owned, or paid, by insurance companies (or assurance companies) or supported by the community. Some stories tell that in some communities the fire brigade only responded to protect the property of those who had the insurance who owned this fire brigade. In other cities, the fire brigades might have been independent companies. The story you hear, tells of the money going to the fire brigade who was successful in staking a claim on the property, which was on fire. One method of claiming a structure was to place a ladder on it. The first company to do so was allowed to fight the fire and was therefore paid by the insurance company. As you can imagine, there were problems with this system. Fire companies would have people whose main job it was to (A) ladder the building and (B) prevent the other company from doing so. There are many, apocryphal, stories of different fire brigades being involved in fist fights, in the front yard, while the structure burned.

But the thought that a burning home, with no fire mark, was left to burn, was probably not true. In fact, in the U.S., there is no evidence to support this belief. Volunteer fire departments were supported by community donations and many other sources of revenue. The insurance company's fire mark was possibly more of an indication of a "reward" for saving a particular structure, if anything other than advertising. For this reason, one might hear of fire companies fighting over who would be allowed to fight a fire. Not all insurance companies paid a reward, but some may have. Much like today, some insurance companies simply donated money to the local volunteer fire departments. Only about one in ten insurance companies ever issued fire marks, so their value, or purpose, remains unclear. It is possible that a fire mark would have a different purpose or meaning depending upon the insurance company, the community, or the insured.

LEXINGTON FIRE DEPARTMENT

2016 Annual Report

Chief's Message

It is my pleasure to present to you the annual report for 2016. First, I would like to thank our volunteer firefighters for their hard work and accomplishments this past year. The effort put forth by your firefighters was consistent with our mission. As usual, we faced many challenges in 2016 but we resolved those challenges as a team by working together and relying on each other. I am extremely proud of our members for their sense of duty, integrity and professionalism.

Second only to our volunteers, is the tremendous support of our community. This continued, unwavering support, does not go unnoticed or unappreciated, I know that without the generosity of our community, this fire department could not continue to maintain the high level of services and equipment we have.

It is my honor as the Fire Chief of the Lexington Fire Department to present the following summary of our activities for the year 2016. Our Firefighters responded to 200 calls for service. As in previous years, the majority of our calls for service are EMS related (approx. 77%), and the remainder are fire related calls (23%). The demand for Fire/EMS services from our community is continually growing. We are meeting these demands through progressive training, state-of-the-art equipment, and advances of technology in the fire service; while fostering regional collaborations with other local fire departments to enhance our overall service delivery.

As we move forward, we pledge to stay up to date on new technologies and techniques to further improve services, to seek-out creative solutions to issues that arise, to communicate to the public regarding our activities and how citizens may protect themselves and maintain safety in their daily lives, and to continue to meet our mission to protect life and property. To do this, it is absolutely critical that we take a proactive approach, through the continued development of our long term plan, to ensure that we have the resources needed when called upon.

On behalf of the entire Department, I want to thank our citizens, elected officials and fellow municipal employees for their support in our efforts to keep the communities we serve safe and promise you our continued dedication to each and every citizen we serve.

Respectfully,



Gary Grote
Fire Chief



*Ready to
Respond*

*Willing to
Care*

*Trained to
Make a
Difference*

LEXINGTON FIRE DEPARTMENT

2016 Annual Report

Mission Statement

It is the mission of the Lexington Fire Department to provide the highest quality emergency services for the preservation of life and property for the citizens of our community. For our members to be confident and proficient in their duties through education and training to established standards, utilizing the latest equipment and techniques, as we strive to provide for our members a sense of duty to the community and pride in our Department.

Vision

We will:

- *Provide excellent customer service and exceed the expectations of the people we serve, both internally and externally*
- *Be responsive to the changing needs of our customers*
- *Be an organization of highly trained and motivated professionals*
- *Be proactive in planning for our community's future*
- *Be an organization highly respected by our peers*

Values

As public servants, we hold ourselves and each other accountable for the following:

Integrity

We understand the trust placed in us by the public and our colleagues is integral to the performance of our duties. We are committed to honest, ethical behavior and hold ourselves accountable to these values.

Professional Excellence

We believe the pursuit of excellence and demonstrating high professional standards are both critical to our work. We ensure the best possible service for our community. We support continuous training and encourage professional development. We respect diversity of our community by providing compassionate and quality service to all.

Community Service and Involvement

We are committed to fulfilling our responsibility and deepening our involvement in the community we serve.

Teamwork and Shared Leadership

We know well-functioning teams of people are more effective than individuals who are working separately; lives depend on it. We believe individuals have the capacity to lead and our organization values leadership at all levels. Teamwork and shared leadership are integral to our organization. We seek out and value the opinions of our members.

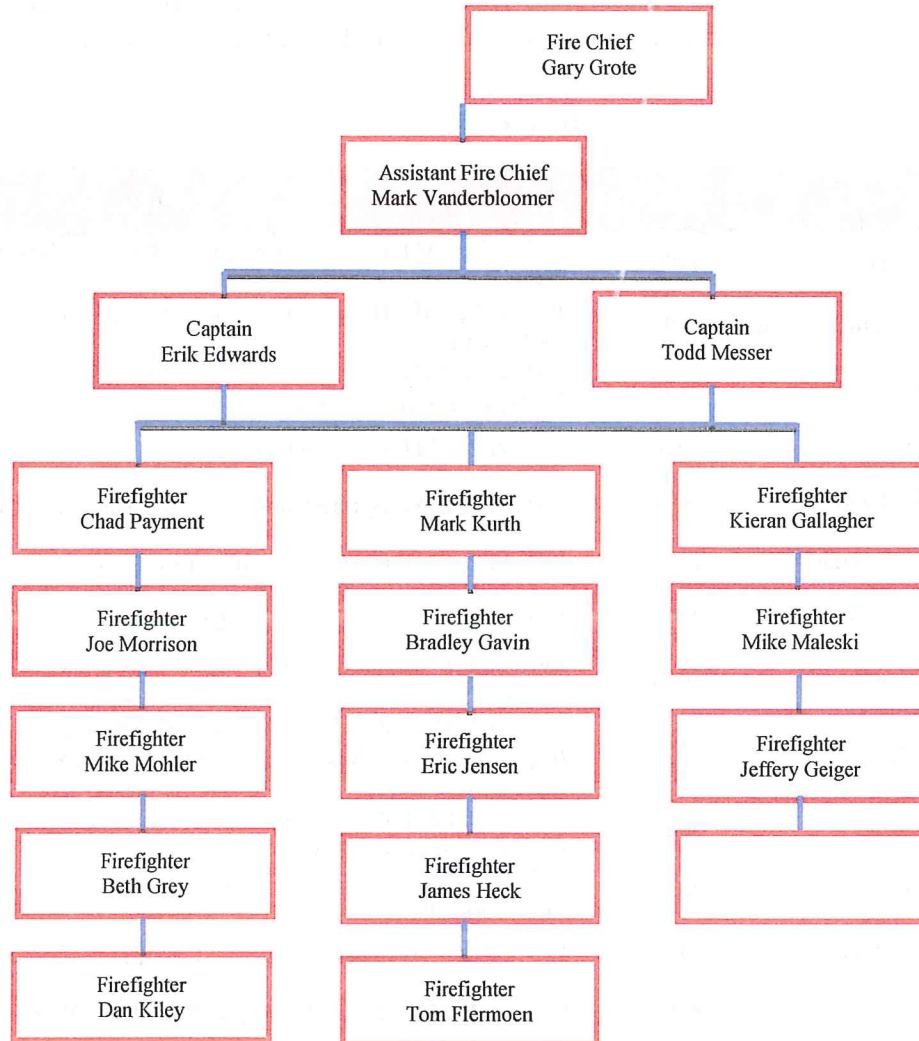
Health & Safety

We believe health and safety are essential to fulfilling our mission. We are committed to providing quality health and safety programs to ensure operational readiness and personal well-being.

LEXINGTON FIRE DEPARTMENT
2016 Annual Report



Organizational Chart



LEXINGTON FIRE DEPARTMENT

2016 Annual Report

ISO Rating

The Lexington Fire Department is proud to announce that it is a Class 5 ISO Department. This rating gives the citizens and business owners of the city better insurance rate in the State of Minnesota. The department has maintained this rating for over 20 years and was last audited by ISO on March 20th, 2014. The department maintained this score by achieving 52.87 out of 105.5 possible points.

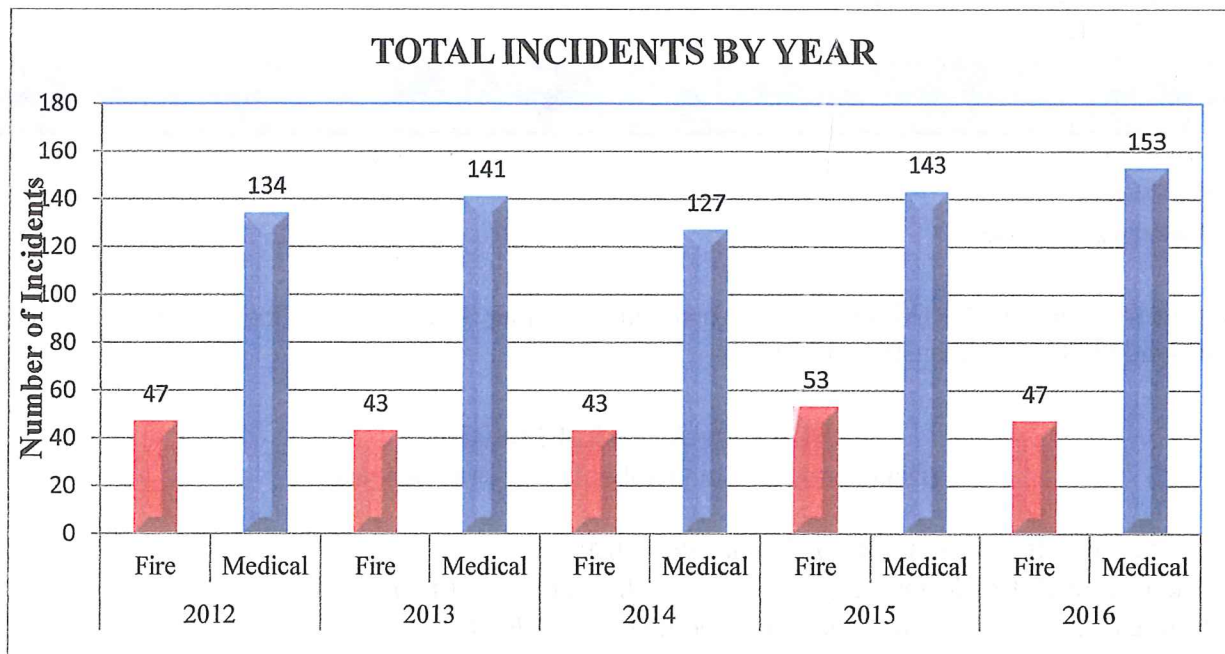
Current Members

Position	Name	Start Date	Certifications
Chief	Gary Grote	1993	FF1, FF2, EMT-B, Instructor 1, Fire Officer 1, Haz-Mat Operations 1001
Asst. Chief	Mark VanderBloomer	1997	FF1, FF2, EMT-B, Inspector 1, Instructor 1, Fire Investigator, Haz-Mat Operations 1001
Captain 11	Erik Edwards	2006	FF1, FF2, EMT-B, Instructor 1, Haz- Mat Operations 472 and Technician, Fire Officer 1
Captain 12	Todd Messer	2016	FF1, FF2, EMT-B, Pump Operator 1
Fire Fighter	Bradley Gavin	1994	FF1, FF2, EMT-B, Fire Inspector1, Haz-Mat Operations 1001
Fire Fighter	Kieran Gallagher	1998	FF1, FF2, EMT-B, Haz-Mat 1001, Instructor 1, Fire Officer 1
Fire Fighter	Joe Morrison	2007	FF1, FF2, 1 st Responder, Haz- Mat Operations 472
Fire Fighter	Mark Kurth	2008	FF1, FF2, 1 st Responder, Haz- Mat 472 Awareness, Instructor 1, Fire Officer 1
Fire Fighter	Chad Payment	2008	FF1, FF2, 1 st Responder, Haz -Mat 472 Awareness, Instructor 1, Inspector 1 and 2, Fire Officer 1 and 2, Fire Inspector 1 and 2, Pump Operator 1
Fire Fighter	Eric Jensen	2009	FF1, FF2, EMT-B, Fire Instructor 1, Fire Investigator, Fire Officer 1, Haz-Mat Operations 1001
Fire Fighter	Mike Maleski	2010	FF1, FF2, Paramedic, Fire Instructor 1, Haz-Mat Operations 1001, Pump Operator 1
Fire Fighter	Mike Mohler	2011	FF1, FF2, 1 st Responder, Haz-Mat Operations 1001, Pump Operator 1
Fire Fighter	Beth Grey	2011	FF1, FF2, EMT-B, Haz-Mat Operations 1001, Pump Operator 1
Fire Fighter	James Heck	2011	FF1, FF2, Paramedic, Haz- Mat Operations 472 and Technician, Fire Instructor 1, Fire Officer 1
Fire Fighter	Jeffery Geiger	2012	FF1, FF2, EMT-B, Haz-Mat Operations 1001, Fire Instructor 1, Fire Officer 1
Fire Fighter	Tom Flermoen	2013	FF1, FF2, EMT-B, Haz- Mat Operations 472, Pump Operator 1
Fire Fighter	Dan Kiley	2015	FF1, FF2, EMT-B, Haz-Mat Operations 472
Fire Fighter	Scott Parenteau	2016	FF1, FF2, Haz-Mat Operations 472, In EMR Class

LEXINGTON FIRE DEPARTMENT

2016 Annual Report

Lexington Fire Department 5 Year Call History

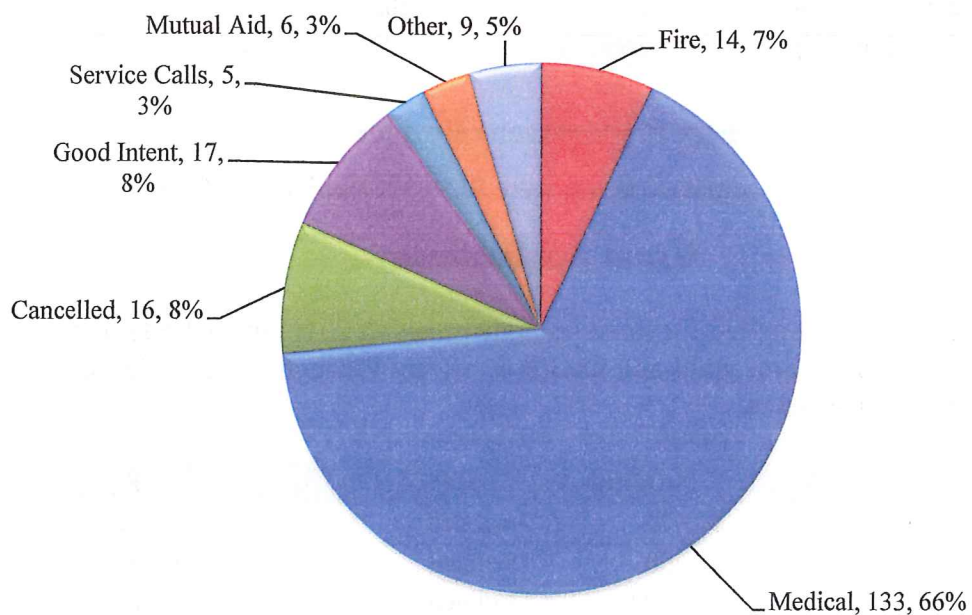


Top 5 call types for 2016

Fire: Gas Smell/Leak, Mutual Aid, Recreation Fire, Alarm, Car Fire

Medical: Breathing Problem, Chest Pains, Seizure, Abdominal Pain, Heart Problem

2016 INCIDENT SUMMARY BY TYPE OF CALL



LEXINGTON FIRE DEPARTMENT

2016 Annual Report



Unit Response Time Analysis
From 01/01/2016 To 12/31/2016

LEXINGTON			
Call Times		Number of Calls	Percentage
Under 5 Minutes		38	19.9%
6-10 Minutes		139	72.77%
Greater Than 10 Minutes		14	7.33%

This report from the MFIRS (Minnesota Fire Incident Reporting System) shows that 92.67 % of the calls were responded to in less than 10 minutes.

MN Fire Marshal Division

(Data is released in October for the previous year)

Here are a few highlights from *Fire in Minnesota, 2015*:

- There were 57 fire deaths last year --- The highest number of fatalities since 2002.
- Careless smoking was once again the leading cause of fatal fires.
- Cooking was the most common cause of structure fires.
- 74% of fire deaths and 88% of injuries occurred in residential settings.

Lexington Fire Department Vehicles

Fire Apparatus	Year	Est. Replacement
Engine 1 – Pumper	2011	2031 – 20 yrs
Engine 2 – Rescue / Pumper	2003	2023 – 20 yrs
Tender 1 – Water Tender	1987	2017 – 30 yrs
Utility 1 – F250 Crew Cab	2004	2024 – 20 yrs
Utility 2 – F350 Grass Rig	1995	2015 – 20 yrs

Fire Department Budget

The budget for 2016 was \$169,954; actual expenses were \$149,337, which is 12% under budget.

Grant Applications

The Lexington Fire Department applied for three separate grants in 2016; the MBFTE (Minnesota Board of Firefighter Training), CenterPoint grant and the FP & S (Fire Prevention and Safety). The following table is a summary of the grant status.

Grant	Amount	Status	Usage
MBFTE	\$3,600	Awarded	Training Reimbursement
CenterPoint	\$2,500	Declined	Thermal Imaging Camera
FP&S	\$24,000	Declined	Fire Smoke Detectors

LEXINGTON FIRE DEPARTMENT

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Community Service Activities

- Open House –** Vehicle extrication demo. Allina, Circle-Lex Lions Club, (selling booya), CERT, and the National Guard participated.
- Safety Camp –** A joint effort with Centennial Fire, Centennial Lakes P.D., Lino Lakes P.D. and the Lino Lakes Parks & Recreation.
- Station Tours –** Both local daycare facilities have been at the station as well as having us out to their center(s).
- Easter Egg Hunt -** The Fire Department Relief Association donates the candy from proceeds from Charitable Gambling for the Easter Egg hunt that the Circle-Lex Lions sponsor. The Members enjoy helping the children find eggs and candy.
- National Night Out –** The Fire Department stopped at all the neighborhood watch group locations and handed out fire and safety awareness materials.
- Santa Around Town –** Drove up and down all city streets in Lexington handing out candy and collecting food for the local food shelf. We collected over 25 grocery carts of food this year. The Retired Firefighters were invited and had a great time.
- Local area parades –** We participated in the Blaine and Forest Lake parades this year, controlled 3 intersections for the 2016 Patriot Motorcycle ride and the Pride parade.



Accomplishments

Training

- 61% of the department are EMT-B certified.
- 11% of the department are Paramedic certified.
- Trained using the SCBA Trailer.
- Used the Fridley Tower for RIT, (Rapid Intervention Team), and Search and Rescue Training.
- Live Burn Training with the Centennial Fire District.
- Mark VanderBloomer, Erik Edwards, Todd Messer and Gary Grote attended the State Fire Chiefs Conference.
- Erik Edwards, Mike Maleski and Jeffery Geiger completed the 50 hour online Blue Card Training.
- Erik Edwards and Mark VanderBloomer attended a 2 day seminar on Structural Tactics with limited Staffing and Leading with Attitude.
- Hosted a Fire Pump Operators Certification class, which was attended by Tom Flermoen, Beth Gray, Mike Mohler, and Mike Maleski.
- Joint training with Centennial Fire, house burn and radio communications, which was attended by Todd Messer, Jeffery Geiger, James Heck, Scott Parenteau, Mike Mohler and Tom Flermoen.



Other

- Continue to develop the agility test for all firefighters.
- Performed annual performance review for all firefighters.
- Purchased 2 Thermal Imaging Camera's.

LEXINGTON FIRE DEPARTMENT
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2016 Lexington Fire Department Goals

- Continue to seek funding from all available resources, i.e. grants, organizations and programs.
- Continue to provide the tools and resources for all firefighters for both physical and emotional growth.
- Send one to two firefighters to the Fire Academy through the VIP, (Volunteer Incentive Program).
- Continue to seek recruits as new quality firefighters.
- Provide education and training to the community, CPR classes, Fire Extinguisher etc.
- Provide representation on the Anoka Fire Investigation Team, Chemical Assessment Team, and Instructors for F.I.R.E. and or the Hennepin Technical College.

Member Activities

- Eighteen firefighters and family members participated in the Stair Climb for Air fundraiser for the American Lung Association.
- The Annual Firefighter picnic, funded by the Relief Association, was a success. The city staff and the retired firefighters were invited.
- The firefighters and family participated in some family night pot-luck events.
- Joe Morrison, Mike Maleski, Eric Jensen, and Gary Grote participated in the 2016 EMS Honor Guard Motorcycle Ride.
- Bradley Gavin, Jeffery Geiger and Kieran Gallagher assisted with firefighter recruitment at the MN State Fair at the mnfirehire booth, Kieran Gallagher also assisted at the Anoka County Fair.
- Erik Edwards, Kieran Gallagher, Jeffery Geiger and Gary Grote assisted in cleaning Mike and Linda Pitchford's yard.
- Staff the Farmers Market with the Lexington Fire & Rescue Auxiliary with a Fire Truck on display.



LEXINGTON FIRE DEPARTMENT

2016 Annual Report

Firefighter Recognition

- **Years Of Service (through 2016)**

Gary Grote - 23
Todd Messer - 22
Bradley Gavin - 22
Mark VanderBloomer - 19
Kieran Gallagher - 18
Erik Edwards - 10
Joe Morrison - 9
Chad Payment - 8
Mark Kurth - 8

Eric Jensen - 7
Mike Maleski - 6
Beth Grey - 5
James Heck - 5
Mike Mohler - 5
Jeffery Geiger - 4
Tom Flermoen - 3
Dan Kiley - 1
Scott Parenteau - New Hire

- **Service Award** - Qualifications: Attend a minimum of 75% of the training drills, attend a minimum of 75% of the meetings, and at a minimum make the Department "Average" for call attendance. The following firefighters received a Service Award:

Gary Grote - 14th time
Mark Vanderbloomer - 13th time

Erik Edwards - 8th time
Jeffery Geiger - 4th time

- **Firefighter of The Year** - To entitle a member for consideration of this award, he/she is described as "The type of person you call upon to get the job done completely, competently and correctly. He/she works well with everyone and is willing to learn as well as to teach his/her peers. He/she strives for job excellence and will put in extra hours to assure the department will reach its goals. He/she is a positive role model." This was awarded to Mike Maleski.



Captain Chief Firefighter Assistant Chief Captain
Todd Messer Gary Grote Mike Maleski Mark VanderBloomer Erik Edwards

LEXINGTON FIRE DEPARTMENT

2016 Annual Report

- **Chief Recognition (Rock Award)** – Mark VanderBloomer received a special recognition for his many devoted hours of guidance and commitment he has unselfishly given to The City of Lexington and the citizens of this community.



**Chief
Gary Grote**

**Assistant Chief
Mark VanderBloomer**

- **Chief Recognition (Above and Beyond Award)** – Erik Edwards received a special recognition for his continuous hard work, dedication, and commitment to the City of Lexington and the citizens of this community.



**Chief
Gary Grote**

**Captain
Erik Edwards**

LEXINGTON FIRE DEPARTMENT

2016 Annual Report

- **Chief Recognition (Leadership Award)** – Todd Messer received a special recognition for his Leadership and Mentorship, his hard work and commitment has been a huge contribution to the City of Lexington and the citizens of this community.



**Chief
Gary Grote**

**Captain
Todd Messer**

- **Fire Chiefs Coin** - This award shall be presented by the Fire Chief for any of the following;

To any Firefighter/Officer for an act which exhibited disregard for personal safety in an effort to save another. This will be considered for those acting above and beyond the call of duty and within safe operating policies and procedures of the Fire Department.

To any Firefighter/Officer that has significantly and consistently exceeded the expectations as seen by the Chief.

LEXINGTON FIRE DEPARTMENT

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- **Chiefs Coin** – Jeffery Geiger for making 60% of the 2016 Fire/Medical calls.



**Chief
Gary Grote**

**Firefighter
Jeffery Geiger**

- **Chiefs Coin** – Mike Mohler witnessed a vehicle accident. He stopped went over to the overturned vehicle making sure the scene was safe, provided medical assistance to the victim. Directed arriving Fire and Medical personnel as to what was needed. Mike was able to safely remove the victim from the vehicle. The victim along with the EMS personal indicated that Mike performed with a high regard.



**Chief
Gary Grote**

**Firefighter
Mike Mohler**

LEXINGTON FIRE DEPARTMENT
2016 Annual Report

Fire Relief Association

The Lexington Relief Association has donated to the the following in 2016

City Revolving Equipment Fund	\$30,000.00
American Lung Association - Stair Climb	\$2,100.00
Circle-Lex Lions - Easter Egg Hunt	\$490.56
Northern Lights Women's Softball	\$550.00
Centennial Lakes Little League - Scholarships	\$2750.00
MN Fire Service Pipe Band	\$300.00
City of Lexington - 10% Quarterly Contributions	\$9,865.94
Centennial School District – Summer Enrichment	\$3,000.00
City of Lexington – Fall Festival	\$10,000.00
Centennial Food Shelf	\$4,500.00
Hardship Sean Bulenrose - Repair Vehicle	\$1,772.70
City of Lexington - Holiday Lighting Contest	\$175.00
St. Patrick's Association	\$500.00
EMS Honor Guard	\$1,000.00
Total 2016 Donations	\$67,004.20

Fire Relief/Charitable Gambling Recognition – The donations listed above would not be possible if it was not for the hard work of all the employees that work behind the Pull Tab Booth, Bingo and Meat Raffle's. These employees have been very dedicated in support of the Lexington Fire Department, all the Fire Apperatus have been purchased at no expense to the tax payers of the community, they were purchased using Charitable Gaming Funds..... Thank you all very much.



LEXINGTON FIRE DEPARTMENT

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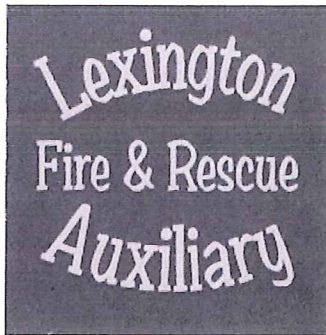
The Relief Association has always looked to donate locally and has done a great job. With charitable gambling in one location, "Cowboy's Saloon", it continues to be a constant battle to balance the efforts of volunteering for the Relief Association and to stay on top of the required training needed to provide the fire service that the residents deserve.

There is a great deal of pride amongst those that step up to the plate and take on additional responsibility. Enough cannot be said to adequately describe the sacrifice these firefighters make for the greater good of the residents and the businesses in the city of Lexington.

The Relief Association continues to have a 5K run as a fundraiser and is very successful. The Lexington Fire/Rescue Auxilery took the lead on this project and has done a great job with the help of several other firefighters along with their wives, significant others, and friends. The amount raised was around \$1,300.

LEXINGTON FIRE DEPARTMENT
2016 Annual Report

Lexington Fire & Rescue Auxiliary



The auxiliary took over the farmers' market from the city. It ran weekly from June to the first week of October. There was an average of 13 vendors each week. The focus was on bringing healthy food options into the community, along with fire safety information for kids and families.

The auxiliary also assisted with the 2016 Flash and Dash 5k. They recruited sponsors, notified runners, organized donations, and helped on race day.

In October, they held their first annual meeting, with the election of officers, review of By-Laws, and plans for the upcoming year. The auxiliary operated with 11 members, along with one non-active member.

In October, at the Fire Department Open House they had a table set up with information regarding the auxiliary along with some fun activities for the kids, with assistance from Tom Flermoen with the materials. The Auxiliary also sold some t-shirts and had a bake sale.

The auxiliary organized a Family Night at the station in November with a theme of Thankfulness for our Fire Department Family.

The auxiliary helped with food planning and preparation during the Santa Around Town event, with a couple members riding/walking with the firefighters collecting food. Thank you all for all the hard work and dedication.



LEXINGTON FIRE DEPARTMENT
2016 Annual Report

**MINUTES
CITY OF LEXINGTON
WORKSHOP
Thursday, July 20, 2017
Immediately following Council meeting
City Hall**

1. Call to Order: Mayor Kurth

2. Roll Call: DeVries – Hughes – Harris – Murphy

Mayor Kurth called to order the workshop for July 20, 2017 at 7:45 p.m. Councilmember's present: Devries, Harris, and Hughes. Excused absence: Murphy. Also Present: Bill Petracek, City Administrator; Kurt Glaser, City Attorney; Steve Winter, City Engineer; Members of the Planning & Zoning Commission; Pat Zeitner, Quad Press; Anoka County Engineering Department. Larry Renallo, Cowboy's Saloon.

3. Discussion Items:

A. Anoka County Engineering Department to present Lake Drive preliminary plans.

Joe Macpherson, Assistant Anoka County Engineer, stated he has brought his staff and design team to the workshop in an effort to have a discussion with the Lexington City Council about the Lake Drive preliminary plans. He added that this process has been going on for 8-10 years and a lot of revisions have been made to the scope of this project over the years. He explained that he and his staff have taken a lot of comments from Lexington residents and businesses to come up with the preliminary set of plans that they see.

Macpherson and staff provided a detailed overview of the plans. Discussion ensued.

4. Staff Input

No staff input

5. Council Input

No Council input

6. Adjourn

Meeting adjourned at 9:01 p.m.



Circle Pines Lexington Lions Club

Hi to our community.,

P. O. BOX 13
CIRCLE PINES
MINNESOTA 55014

The Power Pak Program will be starting soon, as school bells will be ring soon.

St Mark Lutheran church will be hosting a meal packing event for our Fall Rally Day Kick-off

Meals from the Heart is a local organization that distributes fortified meals to help alleviate hunger

Right here in our local communities. We get to designate where meals go that we pack that day.

There will be two different shifts for packing meals 12:30-2:30 2:30 to 4:30 in our fellowship hall.

Groups and individuals may sign up help with project. ~ *Sept 10, 2017*

We need to raise \$7500 to reach our goal of packing 30,000 meals Some groups have already

Committed to this event

Sign up www.mealsfromtheheart.org/stmark

The Circle Pines Lexington Lions support this and our helping reach out to our community and as it will be benefiting District '12 with "NO HUNGRY KIDS IN OUR COMMUNITY". Let us back this program

With volunteers and/ or donations.

Help the POWER PAK PROGRAM WHICH IS PART OF CENTENNIAL FOOD SHELF PROGRAM.

QUESTION PASTOR STEVE 763-784-2558 EXT 202 OR MAGGIE AT 651-780-7368

WE SERVE,

THE CIRCLE PINES LEXINGTON LIONS

PRESIDENT LION GINNY HESTEKIND 763 786-3474

PUBLIC NOTICE
CITY OF LEXINGTON
COUNTY OF ANOKA
STATE OF MINNESOTA

TO WHOM IT MAY CONCERN:

Notice is hereby given, the Lexington Planning & Zoning Commission
regular meeting date of
Tuesday, August 8, 2017 @ 7:00 P.M.
has been rescheduled to
Tuesday, August 15, 2017 @ 7:00 P.M.
meeting at Lexington City Hall
9180 Lexington Avenue
Lexington, MN 55014

Mary Vinzant
Deputy Clerk

POSTED: July 17, 2017

Centennial Lakes Police Department

Media Report

7/14/17 through 7/19/17

CASE NUMBER: 17159621
CASE DESCRIPTION: FOUND PROPERTY
INCIDENT DATE: 7/14/17
INCIDENT LOCATION: 5X NORTH DR, CIRCLE PINES, MN
NARRATIVE: FOUND PROPERTY
MALE ARRIVED AT BASE WITH PROPERTY HE FOUND IN THE STREET IN COON RAPIDS. WAS UNABLE TO FIND A PHONE NUMBER FOR THE OWNER OF THE PURSE. PURSE WAS PUT INTO PROPERTY. . . .
CLEAR.

CASE NUMBER: 17159955
CASE DESCRIPTION: DOG AT LARGE
INCIDENT DATE: 7/14/17
INCIDENT LOCATION: 20XX WILLOW CIR, CENTERVILLE, MN
NARRATIVE: DOG AT LARGE
FEMALE IN THE 2000 BLOCK OF WILLOW CIR LOCATED A DOG AT LARGE. DOG WAS TRANSPORTED TO OTTER LAKE ANIMAL HOSPITAL.

CASE NUMBER: 17160293
CASE DESCRIPTION: ASSIST OTHER AGENCY
INCIDENT DATE: 7/15/17
INCIDENT LOCATION: LINO LAKES, MN
NARRATIVE:

CASE NUMBER: 17160215
CASE DESCRIPTION: TRAFFIC
INCIDENT DATE: 7/14/17
INCIDENT LOCATION: 7200 BLOCK MAIN ST, CENTERVILLE, MN
NARRATIVE: TRAFFIC / WARRANT.
STOPPED A VEHICLE IN THE 7200 BLOCK OF MAIN ST FOR AN EQUIPMENT VIOLATION. DRIVER SUBSEQUENTLY ARRESTED FOR WARRANT.

CASE NUMBER: 17160290
CASE DESCRIPTION: TRAFFIC
INCIDENT DATE: 7/15/17
INCIDENT LOCATION: LAKE DR/LEXINGTON AVE, LEXINGTON, MN
NARRATIVE: OFFICERS STOPPED A VEHICLE FOR A MOVING VIOLATION. OFFICERS RELEASED THE DRIVER WITH A VERBAL WARNING.

CASE NUMBER: 17133050
CASE DESCRIPTION: MISCELLANEOUS PUBLIC
INCIDENT DATE: 7/15/17
INCIDENT LOCATION: CIRCLE PINES, MN
NARRATIVE:

CASE NUMBER: 17161010
CASE DESCRIPTION: ACCIDENT-MV PD
INCIDENT DATE: 7/15/17
INCIDENT LOCATION: LEXINGTON AVE/NORTH RD, CIRCLE PINES, MN
NARRATIVE: PROPERTY DAMAGE.
DISPATCHED TO LEXINGTON AVE AND NORTH RD ON A CAR VERSUS DEER
PROPERTY DAMAGE ACCIDENT. INFORMATION COLLECTED.

CASE NUMBER: 17160829
CASE DESCRIPTION: DWI-3RD DEGREE
INCIDENT DATE: 7/15/17
INCIDENT LOCATION: LEXINGTON AVE/WEST RD, CIRCLE PINES, MN
NARRATIVE: OFFICERS STOPPED A VEHICLE FOR A MOVING VIOLATION AT THE
INTERSECTION OF LEXINGTON AVE & WEST RD. OFFICERS FOUND THE
DRIVER TO BE INTOXICATED. THE DRIVER WAS PLACED UNDER ARREST AND
TRANSPORTED TO JAIL FOR THE AFORMENTIONED OFFENSE.
CLEARED.

CASE NUMBER: 17160731
CASE DESCRIPTION: WARRANT ARREST
INCIDENT DATE: 7/15/17
INCIDENT LOCATION: MAIN ST/CENTERVILLE RD, CENTERVILLE, MN
NARRATIVE: WARRANT ARREST/NARCOTICS
OFFICERS OBSERVED A MALE DRIVER AT THE INTERSECTION OF MAIN
ST/CENTERVILLE RD WITH AN ARREST WARRANT. MALE SUSPECT WAS
STOPPED AND ARRESTED. DURING A SUBSEQUENT SEARCH, OFFICERS
RECOVERED NARCOTICS. MALE TRANSPORTED TO JAIL.
CLEARED BY ARREST

CASE NUMBER: 17160759
CASE DESCRIPTION: TRAFFIC
INCIDENT DATE: 7/15/17
INCIDENT LOCATION: VILLAGE PKWY/LAKE DR, CIRCLE PINES, MN
NARRATIVE: TRAFFIC
OBSERVED A MALE DRIVER MAKE AN ILLEGAL TURN IN THE AREA OF VILLAGE
PKWY AND LAKE DR. DRIVER WAS CITED FOR SEVERAL DRUG RELATED
VIOLATIONS.
CLEAR.

CASE NUMBER: 17161582
CASE DESCRIPTION: DOMESTIC-VERBAL
INCIDENT DATE: 7/16/17
INCIDENT LOCATION: 90XX JACKSON AVE, LEXINGTON, MN
NARRATIVE: DOMESTIC INCIDENT
OFFICERS RESPONDED TO THE 9000 BLOCK JACKSON AVE ON A REPORT OF
A VERBAL ALTERCATION DURING CHILD PICK-UP. PARTIES WERE
SEPARATED AND OFFICERS MEDIATED THE SITUATION. NO FURTHER
INCIDENT.
CLEAR

CASE NUMBER: 17161656
CASE DESCRIPTION: HARASSMENT
INCIDENT DATE: 7/16/17
INCIDENT LOCATION: 3X VILLAGE PKWY, CIRCLE PINES, MN
NARRATIVE: HARASSMENT
OFFICERS RESPONDED TO THE 30 BLOCK VILLAGE PKWY ON A HARASSMENT REPORT. OFFICERS MEDIATED AND PARTIES AGREED TO NOT CONTACT ONE ANOTHER. NO FURTHER INCIDENT.
CLEAR

CASE NUMBER: 17161844
CASE DESCRIPTION: BURGLARY-ATTEMPTED
INCIDENT DATE: 7/16/17
INCIDENT LOCATION: 38XX MINUTEMAN LN, LEXINGTON, MN
NARRATIVE: BURGLARY.
I WAS DISPATCHED TO 3800 BLOCK OF MINUTEMAN LN ON A DELAYED BURGLARY ATTEMPT. INFORMATION COLLECTED.

CASE NUMBER: 17161919
CASE DESCRIPTION: SUICIDE
INCIDENT DATE: 7/17/17
INCIDENT LOCATION: LEXINGTON, MN
NARRATIVE: SUICIDAL FEMALE.
I WAS DISPATCHED TO LEXINGTON AVE ON A SUICIDAL PARTY. INDIVIDUAL SENT TO HOSP

CASE NUMBER: 17162016
CASE DESCRIPTION: THEFT FROM MOTOR VEHICLE
INCIDENT DATE: 7/17/17
INCIDENT LOCATION: 72XX TWIN LAKES AVE, CENTERVILLE, MN
NARRATIVE: THEFT FROM MOTOR VEHICLE
LAPTOP COMPUTER VALUED AT \$1500 STOLEN FROM A VEHICLE IN THE 7200 BLOCK OF TWIN LAKES. WINDOW OF VEHICLE BROKEN.

CASE NUMBER: 17161296
CASE DESCRIPTION: DOMESTIC
INCIDENT DATE: 7/16/17
INCIDENT LOCATION: 92XX LAKE DR, LEXINGTON, MN
NARRATIVE: DOMESTIC
OFFICERS WERE DISPATCHED TO A DOMESTIC IN THE 9200 BLOCK OF LAKE DR.
INVOLVED PARTIES WERE TRANSPORTED TO NORTHTOWN MALL.
CLEAR.

CASE NUMBER: 17161792
CASE DESCRIPTION: ASSIST OTHER AGENCY
INCIDENT DATE: 7/16/17
INCIDENT LOCATION: LINO LAKES, MN
NARRATIVE:

CASE NUMBER: 17162101
CASE DESCRIPTION: THEFT FROM MOTOR VEHICLE
INCIDENT DATE: 7/17/17
INCIDENT LOCATION: 71XX BRIAN DR, CENTERVILLE, MN
NARRATIVE: THEFT FROM MV
SEVERAL SMALL ITEMS STOLEN FROM A VEHICLE IN THE 7100 BLOCK OF
BRIAN DR. \$45 ESTIMATE, SMALL CHANGE AND MISC ITEMS.

CASE NUMBER: 17161203
CASE DESCRIPTION: ASSIST OTHER
INCIDENT DATE: 7/16/17
INCIDENT LOCATION: LINO LAKES, MN
NARRATIVE:

CASE NUMBER: 17162263
CASE DESCRIPTION: TAMPER WITH MV
INCIDENT DATE: 7/17/17
INCIDENT LOCATION: 70XX BRIAN CT, CENTERVILLE, MN
NARRATIVE: MV TAMPERING
OFFICERS WERE DISPATCHED TO THE 7000 BLOCK OF BRIAN CT REGARDING
A VEHICLE THAT HAD BEEN GONE THROUGH.
NOTHING WAS TAKEN.
CLEAR.

CASE NUMBER: 17162572
CASE DESCRIPTION: FOUND PROPERTY
INCIDENT DATE: 7/17/17
INCIDENT LOCATION: CENTRAL ST/VILLAGE PKWY, CIRCLE PINES, MN
NARRATIVE: FOUND PROPERTY
OFFICERS WERE CONTACTED ABOUT FOUND PROPERTY IN THE AREA OF
VILLAGE PKWY/CENTRAL ST. OFFICERS RETRIEVED THE PROPERTY AND
ATTEMPTED CONTACT WITH THE OWNER. PROPERTY RELEASE PENDING
CONTACT.
CLEAR

CASE NUMBER: 17162852
CASE DESCRIPTION: THEFT FROM MOTOR VEHICLE
INCIDENT DATE: 7/18/17
INCIDENT LOCATION: 2XX BALDWIN DR, CIRCLE PINES, MN
NARRATIVE: THEFT FROM VEHICLE
OFFICERS WERE DISPATCHED TO THE 200 BLOCK OF BALDWIN DR
REGARDING A THEFT FROM VEHICLE.
ITEMS TAKEN.
NO SUSPECTS AT THIS TIME.
CLEAR

CASE NUMBER: 17162988
CASE DESCRIPTION: HOUSE/PROPERTY CHECK
INCIDENT DATE: 7/18/17
INCIDENT LOCATION: CIRCLE PINES, MN
NARRATIVE:

CASE NUMBER: 17163742
CASE DESCRIPTION: JUVENILE STATUS OFFENSE
INCIDENT DATE: 7/19/17
INCIDENT LOCATION: CIRCLE PINES, MN
NARRATIVE: CURFEW VIOLATION
POLICE LOCATED 2 JUVENILES AT THE 10 BLOCK OF FIREBARN ROAD.
POLICE WERE ABLE TO ESCORT BOTH JUVENILES TO THEIR HOME WITHOUT
ANY ISSUE. PARENTS WERE NOTIFIED.
CLEARED.

Centennial Lakes Police Department

Media Report

7/20/17 through 7/26/17

CASE NUMBER: 17165002
CASE DESCRIPTION: TAMPER WITH MV
INCIDENT DATE: 7/20/17
INCIDENT LOCATION: 70XX BRIAN DR, CENTERVILLE, MN
NARRATIVE: TAMPER MV
OFFICERS WERE DISPATCHED TO A VEHICLE THAT HAD BEEN GONE THROUGH OVERNIGHT IN THE 7000 BLOCK OF BRIAN DR. NOTHING WAS TAKEN, NO DAMAGE TO THE VEHICLE. NO SUSPECTS. CLEAR.

CASE NUMBER: 17165397
CASE DESCRIPTION: HARASSMENT
INCIDENT DATE: 7/20/17
INCIDENT LOCATION: 38XX PATRIOT LN, LEXINGTON, MN
NARRATIVE: HARASSMENT REPORT
FEMALE IN THE 3800 BLOCK OF PATRIOT LN CALLED TO REPORT HARASSMENT. FEMALE WAS ADVISED TO BLOCK SUSPECT. FEMALE WAS ALSO ADVISED IF HE CONTACTS AGAIN TO REQUEST HE STOP. CLEAR.

CASE NUMBER: 17165343
CASE DESCRIPTION: SUSPICIOUS ACTIVITY
INCIDENT DATE: 7/20/17
INCIDENT LOCATION: 70XX BRIAN CT, CENTERVILLE, MN
NARRATIVE: POLICE TOOK INFORMATION ON SUSPICIOUS ACTIVITY THAT OCCURRED IN THE 7000 BLOCK OF BRIAN COURT.

CASE NUMBER: 17137943
CASE DESCRIPTION: MISCELLANEOUS PUBLIC
INCIDENT DATE: 7/20/17
INCIDENT LOCATION: 7400 BLOCK MAIN ST, CENTERVILLE, MN
NARRATIVE:

CASE NUMBER: 17165606
CASE DESCRIPTION: TRAFFIC
INCIDENT DATE: 7/21/17
INCIDENT LOCATION: GOLDEN LAKE RD/LAKE DR, CIRCLE PINES, MN
NARRATIVE: OFFICERS STOPPED A VEHICLE ON THE 0 BLOCK OF GOLDEN LAKE RD FOR A MOVING VIOLATION. THE DRIVER WAS FOUND TO BE UNDER THE INFLUENCE AND WAS PLACED UNDER ARREST. THE DRIVER WAS ULTIMATELY RELEASED WITH A CITATION. CLEARED.

CASE NUMBER: 17165953
CASE DESCRIPTION: WARRANT ARREST
INCIDENT DATE: 7/21/17
INCIDENT LOCATION: 5X NORTH RD, CIRCLE PINES, MN
NARRATIVE: AN ADULT MALE TURNED HIMSELF IN ON AN OUTSTANDING ARREST WARRANT FROM THE DEPARTMENT OF CORRECTIONS. MALE TRANSPORTED TO JAIL WITHOUT INCIDENT.

CASE NUMBER: 17165569
CASE DESCRIPTION: ASSIST OTHER
INCIDENT DATE: 7/20/17
INCIDENT LOCATION: BLAINE, MN
NARRATIVE:

CASE NUMBER: 17167449
CASE DESCRIPTION: TRAFFIC
INCIDENT DATE: 7/23/17
INCIDENT LOCATION: LAKE DR/ALBERT AVE, LEXINGTON, MN
NARRATIVE: TRAFFIC / DRUGS.
SAW A VEHICLE FAIL TO STOP NEAR RESTWOOD RD AND SOUTH HIGHWAY DR. VEHICLE STOPPED AND DRIVER SUBSEQUENTLY ARRESTED.

CASE NUMBER: 17167422
CASE DESCRIPTION: ASSIST OTHER AGENCY
INCIDENT DATE: 7/22/17
INCIDENT LOCATION: 2XX GALAXY DR, CIRCLE PINES, MN
NARRATIVE: PUBLIC ASSIST.
DISPATCHED TO 200 BLOCK OF GALAXY DR ON A PUBLIC ASSIST.
INFORMATION DISSEMINATED.

CASE NUMBER: 17167440
CASE DESCRIPTION: MISCELLANEOUS OFFICER
INCIDENT DATE: 7/23/17
INCIDENT LOCATION: 17XX WESTVIEW ST, CENTERVILLE, MN
NARRATIVE: OFFICERS LOCATED A MALE LAYING DOWN ON THE 1700 BLOCK OF WESTVIEW RD. MALE WAS FOUND TO BE INTOXICATED AND WAS TRANSPORTED TO HIS HOME AND RELEASED TO HIS PARENTS. CLEARED.

CASE NUMBER: 17167494
CASE DESCRIPTION: TRESPASSING
INCIDENT DATE: 7/23/17
INCIDENT LOCATION: 70XX CENTERVILLE RD, CENTERVILLE, MN
NARRATIVE: OFFICERS WERE DISPATCHED TO THE 7000 BLOCK OF CENTERVILLE RD FOR A MALE THAT WOULDN'T LEAVE. OFFICERS LOCATED THE MALE AND ISSUED HIM A TRESPASS NOTICE. THE MALE WAS THEN TRANSPORTED HOME. CLEARED.

CASE NUMBER: 17167515
CASE DESCRIPTION: ACCIDENT-MV HR PD
INCIDENT DATE: 7/23/17
INCIDENT LOCATION: CENTER RD/NORTH STAR LN, CIRCLE PINES, MN
NARRATIVE: PD ACCIDENT / DUI
DISPATCHED TO CENTER RD AND NORTH STAR LN ON POSSIBLE PD
ACCIDENT. MALE AND FEMALE SUBSEQUENTLY ARRESTED.

CASE NUMBER: 17167880
CASE DESCRIPTION: EMERGENCY MEDICAL HOLD
INCIDENT DATE: 7/23/17
INCIDENT LOCATION: CIRCLE PINES, MN
NARRATIVE: EMERGENCY MEDICAL HOLD
MALE IN CIRCLE PINES SENT ALARMING TEXT MESSAGES TO A FAMILY
MEMBER. MALE WAS SENT TO THE HOSPITAL FOR TREATMENT.
CLEAR.

CASE NUMBER: 17168144
CASE DESCRIPTION: SUSPICIOUS ACTIVITY
INCIDENT DATE: 7/23/17
INCIDENT LOCATION: 18XX CENTER ST, CENTERVILLE, MN
NARRATIVE: SUSPICIOUS ACTIVITY REPORT
FEMALE IN THE 1800 BLOCK OF CENTER ST CALLED TO REPORT A
SUSPICIOUS PHONE CALL. EXTRA PATROL AT THE RESIDENCE DUE TO CALL.
CLEAR.

CASE NUMBER: 17168159
CASE DESCRIPTION: ACCIDENT-MV HR PD
INCIDENT DATE: 7/23/17
INCIDENT LOCATION: 39XX RESTWOOD RD, LEXINGTON, MN
NARRATIVE: HIT AND RUN RUN ACCIDENT
OFFICERS WERE DISPATCHED TO THE 3900 BLOCK OF RESTWOOD RD. AN
UNKNOWN VEHICLE STRUCK MAILBOXES AND LEFT THE SCENE. NO
SUSPECT AT THIS TIME.
CLEARED.

CASE NUMBER: 17168270
CASE DESCRIPTION: ASSAULT
INCIDENT DATE: 7/24/17
INCIDENT LOCATION: 71XX CLEAR RIDGE, CENTERVILLE, MN
NARRATIVE: OFFICERS WERE DISPATCHED TO AN ASSAULT THAT HAD RECENTLY
OCCURRED. AFTER SPEAKING WITH THE VICTIM OFFICERS FOUND THAT NO
ASSAULT HAD OCCURRED.
CLEARED.

CASE NUMBER: 17168545
CASE DESCRIPTION: ASSIST OTHER AGENCY
INCIDENT DATE: 7/24/17
INCIDENT LOCATION: BLAINE, MN
NARRATIVE:

CASE NUMBER: 17168791
CASE DESCRIPTION: ACCIDENT-MV HR PD
INCIDENT DATE: 7/24/17
INCIDENT LOCATION: 93XX LEXINGTON AVE, LEXINGTON, MN
NARRATIVE: PROPERTY DAMAGE HIT AND RUN
OFFICERS RESPONDED TO THE 9300 BLOCK OF LEXINGTON AVE. A VEHICLE
HAD BEEN HIT IN THE PARKING LOT. THE OTHER VEHICLE LEFT THE SCENE.
A REPORT WAS TAKEN.
CLEARED.

CASE NUMBER: 17168818
CASE DESCRIPTION: NEIGHBORHOOD DISPUTE
INCIDENT DATE: 7/24/17
INCIDENT LOCATION: 38XX MINUTEMAN LN, LEXINGTON, MN
NARRATIVE: NEIGHBOR DISPUTE
OFFICERS RESPONDED TO THE 3800 BLOCK OF MINUTEMAN LN ON A
NEIGHBOR DISPUTE. PARTIES WERE ADVISED A REPORT WOULD BE TAKEN
BUT IT WAS CIVIL IN NATURE.
CLEARED.

CASE NUMBER: 17168935
CASE DESCRIPTION: DANGEROUS ANIMAL
INCIDENT DATE: 7/24/17
INCIDENT LOCATION: 94XX DUNLAP AVE, LEXINGTON, MN
NARRATIVE: POTENTALLY DANGEROUS DOG
MALE IN THE 9400 BLOCK OF DUNLAP AVE CALLED TO REPORT A DOG
ATTACK. SUSPECT DOG'S OWNER WAS LOCATED AND ADVISED. CASE TO
BE PASSED ON TO CSO'S FOR FURTHER.
PENDING.

**Unapproved minutes
PUBLIC HEARING
&
CITY OF LEXINGTON
REGULAR COUNCIL MEETING
JULY 20, 2017 – 7:00 P.M.
9180 LEXINGTON AVENUE**

PUBLIC HEARING

1. CALL TO ORDER: - Mayor Kurth

A. Roll Call - Council Members: DeVries, Harris, Hughes, Murphy,

Mayor Kurth called to order the meeting of the Public Hearing for the City of Lexington at 7:00 pm of July 20, 2017. Councilmember's present: Devries, Harris, and Hughes. Excused absence: Murphy. Also Present: Bill Petracek, City Administrator; Kurt Glaser, City Attorney; Steve Winter, City Engineer; Shelly Eldridge, Ehler's & Associates; Members of the Planning & Zoning Commission; Pat Zeitner, Quad Press; Anoka County Engineering Department. Larry Renallo, Cowboy's Saloon; Centennial School District Representatives

2. PUBLIC HEARING: The purpose is to consider approving a resolution adopting a Tax Abatement Program to help finance the City's portion of the 2018 Lake Drive Improvement project

Shelly Eldridge, Ehler's & Associates, provided an overview of the Tax Abatement program and how it will finance the 2018 Lake Drive Improvement Project. She also explained the purpose for the public hearing. Discussion ensued.

3. ADJOURN PUBLIC HEARING

A motion was made by Councilmember Devries to adjourn the public hearing at 7:04 p.m. The motion was seconded by Councilmember Hughes. Motion carried 4-0.

REGULAR COUNCIL MEETING

2. CALL TO ORDER: – Mayor Kurth

A. Roll Call - Council Members: DeVries, Harris, Hughes and Murphy

Mayor Kurth called to order the Regular City Council meeting the City of Lexington at 7:04 pm of July 20, 2017. Councilmember's present: Devries, Harris, and Hughes. Excused absence: Murphy Also Present: Bill Petracek, City Administrator; Kurt Glaser, City Attorney; Steve Winter, City Engineer; Shelly Eldridge, Ehler's & Associates; All members of the Planning & Zoning Commission; Pat Zeitner, Quad Press; Anoka County Engineering Department; Centennial School District Representatives.

3. CENTENNIAL SCHOOL DISTRICT SUPERINTENDANT BRIAN DIETZ WILL PROVIDE AN UPDATE

Brian Dietz, Centennial School District Superintendant, provided an overview of the 2016 Annual Report, the school district's strategic plan, and building renovation projects. Discussion ensued.

Tom Bruening, Centennial High School Principal, explained the LEAP program and the positive influence on the students. Discussion ensued.

Jason Hartman, Principal at Blue Heron Elementary, provided an overview of the PBIS program. Discussion ensued.

4. CITIZENS FORUM

No citizens were present to address the Council.

5. APPROVAL OF AGENDA WITH CHANGES AND CORRECTIONS

A motion was made by Councilmember Devries to approve the agenda as typewritten. The motion was seconded by Councilmember Hughes. Motion carried 4-0.

6. LETTERS AND COMMUNICATIONS:

- A. Public Notice – Planning & Zoning meeting date change
- B. Planning & Zoning meeting minutes – July 11, 2017
- C. Centennial Lakes Police Department – Media Report – 7-6 through 7-13, 2017
- D. North Metro TV – June 2017 Update
- E. City Report – June 2017
- F. 24th Annual Sandburr Open – Chomonix Golf Course September 8, 2017

No discussion on Letters and Communications.

7. CONSENT ITEMS:

- A. Recommendation to Approve Council Minutes:
Council Meeting – July 6, 2017
- B. Recommendation to Approve Claims and Bills:
Check #'s 42280 through 42280
Check #'s 42281 through 42303

A motion was made by Councilmember Harris to approve the consent agenda items. The motion was seconded by Councilmember Devries. Motion carried 4-0.

8. ACTION ITEMS:

- A. Recommendation to approve Resolution NO. 17-11 A Resolution Approving Property Tax Abatements.

A motion was made by Councilmember Devries to approve Resolution No. 17.11 – A Resolution Approving Property Tax Abatements. The motion was seconded by Councilmember Hughes. Motion carried 4-0.

- B. Recommendation to approve Centennial Lakes Police Department 2018 Budget

A motion was made by Councilmember Harris to approve Centennial Lakes Police Department 2018 budget. The motion was seconded by Councilmember Hughes. Motion carried 4-0.

- C. Recommendation to approve Business License Renewals

A motion was made by Councilmember Harris to approve business license renewals. The motion was seconded by Councilmember Hughes. Motion carried 4-0.

- D. Liquor License Violation – Sale to Minor

Attorney Glaser stated that he wanted to discuss a liquor license violation – sale to minor – by a server at Cowboy’s Saloon with the Council, informally, to determine the wishes of the group before he pursued further action. He explained the violation occurred during a liquor compliance check that Centennial Lakes Police Department had conducted on June 26, 2017. Discussion ensued.

Glaser explained that Cowboy’s could receive a \$1,000 fine or be shut down for 0-3 days. He added that the owner of Cowboy’s Saloon, Larry Renallo, has taken full responsibility for his server’s actions.

Mr. Renallo explained that in 30 years of being in the bar business, this is the first liquor license violation he has ever had. Discussion ensued.

Glaser asked the Council if they wanted to handle this in a formal hearing or handle it more informally. Discussion ensued. The consensus of the Council was to handle it informally.

A motion was made by Councilmember Devries to issue a \$1,000 fine on Cowboy’s Saloon for a liquor license violation that occurred on June 26, 2017. The motion was seconded by Councilmember Harris. Motion carried 4-0.

9. MAYOR AND COUNCIL INPUT

No input from the Mayor and Council

10. ADMINISTRATOR INPUT

No input from the administrator

11. ADJOURNMENT

*A motion was made by Councilmember Devries to adjourn the meeting at 7:41 p.m.
The motion was seconded by Councilmember Hughes. Motion carried 4-0.*

CITY OF LEXINGTON

RECOMMEND FOR APPROVAL OF CLAIMS AND BILLS

**The following claims and bills have been presented to the Council for approval
at the Council Meeting of August 3, 2017.**

(1) Payroll

Checks	13529 through	13530	\$	487.90
Checks	13531 through	13532	\$	588.10
Checks	13533 through	13533	\$	560.58
Vouchers	500410 through	500440	\$	6,756.13
Vouchers	500394 through	500408	\$	18,675.98
Vouchers	500442 through	500456	\$	18,115.61
Vouchers	500458 through	500474	\$	18,506.42

VOID:

Payroll Taxes

Federal Tax	\$8,425.19	
Social Security	\$10,925.84	
Medicare	\$2,555.38	
		\$21,906.41
State Tax	\$3,546.52	\$3,546.52
Total		\$25,452.93

(2) General and Liquor Payment Recommendations:

Checks:	42304 through	42378	\$	154,355.85
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(3) ACH and Credit Card Payments for:

ACH Checks:	through	\$	-
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(5) Wire Transfer Payment Recommendation: (Bond Payments)

\$	-
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Total Payments and Withdrawals Approval

\$	<u>243,499.50</u>
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Centennial Lakes Police Payment Recommendations:

Checks	11509 through	11527	\$	16,240.41
	11528 through	11545	\$	20,022.73
ACH	201709 through	201710	\$	9,918.92

Total Payments	\$	<u>46,182.06</u>
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VOID:	\$	-
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***Check Detail Register©**

August 2017

			Check Amt	Invoice	Comment
10100 4M FUND					
Paid Chk#	042304	8/3/2017	AFSCME MN COUNCIL 5		
G 101-21719	Union Dues		\$226.86		AUG 2017 UNION DUES
	Total	AFSCME MN COUNCIL 5	\$226.86		
Paid Chk#	042305	8/3/2017	ALL SEASONS RENTAL		
E 330-00000-500	Capital Expenditures		\$187.59	1-52932	RENTAL - WELLHOUSE PROJECT
	Total	ALL SEASONS RENTAL	\$187.59		
Paid Chk#	042306	8/3/2017	ANOKA CO - CENTRAL COMM		
E 101-42260-323	Radio Units/User Fees		\$1,046.40	2017-035	2017 RADIO COMM CONTRACT - FIRE DEPT
E 101-43100-430	Miscellaneous		\$76.80	2017-036	2017 RADIO COMM CONTRACT - PW
	Total	ANOKA CO - CENTRAL COMM	\$1,123.20		
Paid Chk#	042307	8/3/2017	ARMOR SECURITY INC		
E 101-41500-385	Building Security		\$33.00	205387	KEYS - CITY HALL
	Total	ARMOR SECURITY INC	\$33.00		
Paid Chk#	042308	8/3/2017	ARTISAN BEER COMPANY		
E 609-00000-252	Beer Purchase		\$478.45	3192257	
	Total	ARTISAN BEER COMPANY	\$478.45		
Paid Chk#	042309	8/3/2017	AUTOPLUS AUTO PARTS		
E 101-43100-221	Equipment Parts		\$20.30	038812490	EQUIPMENT REPAIR PARTS - STREETS
E 101-43100-221	Equipment Parts		\$101.84	038813981	EQUIPMENT REPAIR PARTS - STREETS
E 101-43100-221	Equipment Parts		\$328.24	038814152	EQUIPMENT REPAIR PARTS - STREETS
E 101-43100-221	Equipment Parts		(\$105.25)	038814180	EQUIPMENT REPAIR PARTS - STREETS
	Total	AUTOPLUS AUTO PARTS	\$345.13		
Paid Chk#	042310	8/3/2017	AVESIS VISION PLAN		
E 101-41500-160	Health/Dental Insurance		\$7.08	1694841	AUG 2017 VISION PREMIUM
E 101-43100-160	Health/Dental Insurance		\$8.04	1694841	AUG 2017 VISION PREMIUM
E 101-45200-160	Health/Dental Insurance		\$5.36	1694841	AUG 2017 VISION PREMIUM
E 609-00000-160	Health/Dental Insurance		\$27.56	1694841	AUG 2017 VISION PREMIUM
	Total	AVESIS VISION PLAN	\$48.04		
Paid Chk#	042311	8/3/2017	BADGER METER INC		
E 730-00000-309	EDP, Software and Design		\$54.00	1175073	Q2 2017 CELULAR BACKHAUL
	Total	BADGER METER INC	\$54.00		
Paid Chk#	042312	8/3/2017	BELLBOY CORPORATION		
E 609-00000-251	Liquor Purchase		\$762.78	59779800	
E 609-00000-254	Miscellaneous Purchase		(\$26.00)	96050900	
	Total	BELLBOY CORPORATION	\$736.78		
Paid Chk#	042313	8/3/2017	BREAKTHRU BEVERAGE MN		
E 609-00000-251	Liquor Purchase		\$803.54	1080664878	
E 609-00000-251	Liquor Purchase		\$181.45	1080664879	
	Total	BREAKTHRU BEVERAGE MN	\$984.99		
Paid Chk#	042314	8/3/2017	CAPITOL BEVERAGE SALES		
E 609-00000-252	Beer Purchase		\$4,286.00	1950801	
E 609-00000-254	Miscellaneous Purchase		\$80.80	1955564	
E 609-00000-252	Beer Purchase		\$84.00	1957133	
E 609-00000-252	Beer Purchase		(\$30.00)	254-230	
E 609-00000-252	Beer Purchase		(\$13.85)	254-231	

***Check Detail Register©**

August 2017

			Check Amt	Invoice	Comment
Total CAPITOL BEVERAGE SALES			\$4,406.95		
Paid Chk# 042315	8/3/2017	CENTENNIAL LAKES PD			
E 101-42110-230	Contracted Services		\$61,391.42		AUG 2017 MONTHLY POLICE SERVICE
Total CENTENNIAL LAKES PD			\$61,391.42		
Paid Chk# 042316	8/3/2017	CIRCLE PINES, CITY OF			
E 599-42110-611	Bond Interest		\$295.21		AUG 2017 POLICE BLDG PAYMENT
E 599-42110-601	Bond Principal		\$4,583.33		AUG 2017 POLICE BLDG PAYMENT
Total CIRCLE PINES, CITY OF			\$4,878.54		
Paid Chk# 042317	8/3/2017	CITYWIDE WINDOW SERVICES INC.			
E 609-00000-400	General Maintenance		\$32.42	623986	JUNE 2017 SERVICE
Total CITYWIDE WINDOW SERVICES INC.			\$32.42		
Paid Chk# 042318	8/3/2017	CLEAR RIVER BEVERAGE COMPANY			
E 609-00000-252	Beer Purchase		\$215.00	101-930	
Total CLEAR RIVER BEVERAGE COMPANY			\$215.00		
Paid Chk# 042319	8/3/2017	COMCAST			
E 101-42260-329	Cable/Internet		\$84.90		8772 10 519 0007159
E 609-00000-329	Cable/Internet		\$131.94		8772 10 519 0024097
E 101-43100-329	Cable/Internet		\$46.17		8772 10 519 0023966
E 101-45200-329	Cable/Internet		\$30.78		8772 10 519 0023966
Total COMCAST			\$293.79		
Paid Chk# 042320	8/3/2017	COMMERCIAL ASPHALT CO			
E 101-43100-224	Street Maint Materials		\$106.17	170630	ASPHALT MIX
Total COMMERCIAL ASPHALT CO			\$106.17		
Paid Chk# 042321	8/3/2017	CULLIGAN BOTTLED WATER			
E 101-41500-411	Culligan		\$39.75	114X62299603	
E 101-42260-411	Culligan		\$39.75	114X62299603	
E 609-00000-411	Culligan		\$9.64	114X62474305	
Total CULLIGAN BOTTLED WATER			\$89.14		
Paid Chk# 042322	8/3/2017	DAHLHEIMER DISTRIBUTING			
E 609-00000-252	Beer Purchase		\$288.00	1292274	
E 609-00000-252	Beer Purchase		\$6,861.10	1292315	
Total DAHLHEIMER DISTRIBUTING			\$7,149.10		
Paid Chk# 042323	8/3/2017	DELTA DENTAL			
E 101-41500-160	Health/Dental Insurance		\$109.35	6976546	AUG 2017 DENTAL INS
E 101-43100-160	Health/Dental Insurance		\$88.38	6976546	AUG 2017 DENTAL INS
E 101-45200-160	Health/Dental Insurance		\$58.92	6976546	AUG 2017 DENTAL INS
E 609-00000-160	Health/Dental Insurance		\$183.00	6976546	AUG 2017 DENTAL INS
Total DELTA DENTAL			\$439.65		
Paid Chk# 042324	8/3/2017	EHLERS & ASSOC.			
G 220-22040	Dominium Escrow - Lovell Bldg		\$530.00	73997	LOVELL SENIOR APTS PROJECT
Total EHLERS & ASSOC.			\$530.00		
Paid Chk# 042325	8/3/2017	ENERGY MECHANICAL SERVICES INC			
E 220-47000-407	Heating/AC		\$203.50	5562	HVAC REPAIRS
Total ENERGY MECHANICAL SERVICES INC			\$203.50		
Paid Chk# 042326	8/3/2017	FRATTALLONE S HARDWARE			

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		Check Amt	Invoice	Comment
E 609-00000-400	General Maintenance	\$15.98	060654/G	LIGHT BULBS - MLS
E 101-43100-210	Operating Supplies	\$35.96	060860/G	SHOP SUPPLIES - PW
Total	FRATTALLONE S HARDWARE	\$51.94		
Paid Chk# 042327	8/3/2017	GOPHER STATE ONE CALL		
E 730-00000-228	Gopher State One Call	\$29.02	7060513	JUNE 2017 LOCATES
E 770-00000-228	Gopher State One Call	\$29.03	7060513	JUNE 2017 LOCATES
Total	GOPHER STATE ONE CALL	\$58.05		
Paid Chk# 042328	8/3/2017	GREEN LIGHTS RECYCLING INC		
E 101-43500-230	Contracted Services	\$300.70	17-3398	ELECTRONICS RECYCLING
E 101-43500-230	Contracted Services	\$224.80	17-4537	ELECTRONICS RECYCLING
Total	GREEN LIGHTS RECYCLING INC	\$525.50		
Paid Chk# 042329	8/3/2017	HAWKINS INC		
E 730-00000-216	Chemicals	\$3,814.68	4111585	
Total	HAWKINS INC	\$3,814.68		
Paid Chk# 042330	8/3/2017	HIGH PERFORMANCE COATINGS, INC		
E 101-45200-401	Repair Buildings	\$1,575.00	2256	CONCESSION STAND FLOOR
Total	HIGH PERFORMANCE COATINGS, INC	\$1,575.00		
Paid Chk# 042331	8/3/2017	HOLIDAY STATIONSTORES		
E 101-43100-212	Gas & Oil	\$58.77		ACCT #012-558-511
E 101-45200-212	Gas & Oil	\$58.77		ACCT #012-558-511
E 651-00000-212	Gas & Oil	\$29.38		ACCT #012-558-511
E 730-00000-212	Gas & Oil	\$73.46		ACCT #012-558-511
E 770-00000-212	Gas & Oil	\$73.49		ACCT #012-558-511
E 101-45200-212	Gas & Oil	\$179.62		
Total	HOLIDAY STATIONSTORES	\$473.49		
Paid Chk# 042332	8/3/2017	HOME DEPOT		
E 101-45200-401	Repair Buildings	\$29.87	5014287	CONCESSION STAND REPAIRS
Total	HOME DEPOT	\$29.87		
Paid Chk# 042333	8/3/2017	HYDRAULIC SPECIALTY INC		
E 101-43100-221	Equipment Parts	\$28.11	0904962721	
Total	HYDRAULIC SPECIALTY INC	\$28.11		
Paid Chk# 042334	8/3/2017	IMAGE PRINTING & GRAPHICS		
E 101-41500-200	Office Supplies	\$176.49	149485	ENVELOPES
Total	IMAGE PRINTING & GRAPHICS	\$176.49		
Paid Chk# 042335	8/3/2017	JERRYS LAWN CARE		
G 101-12400	Special Assess Rec-Pending	\$150.00	06/13, 06/28	9128 JACKSON AVE
G 101-12400	Special Assess Rec-Pending	\$250.00	06/14, 06/27	9270 DUNLAP AVE
Total	JERRYS LAWN CARE	\$400.00		
Paid Chk# 042336	8/3/2017	JIMMYS JOHNNYS		
E 101-45200-418	Other Rentals	\$80.50	119216	JUN-JUL 2017 TOT PARK RENTALS
Total	JIMMYS JOHNNYS	\$80.50		
Paid Chk# 042337	8/3/2017	JJ TAYLOR		
E 609-00000-252	Beer Purchase	\$2,985.63	2707502	
Total	JJ TAYLOR	\$2,985.63		
Paid Chk# 042338	8/3/2017	JOHNSON BROTHERS LIQUOR		

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			Check Amt	Invoice	Comment
E 609-00000-251	Liquor Purchase		\$973.63	5774144	
E 609-00000-253	Wine Purchase		\$83.46	5774145	
E 609-00000-251	Liquor Purchase		\$544.55	5775662	
E 609-00000-253	Wine Purchase		\$1,560.19	5775663	
E 609-00000-254	Miscellaneous Purchase		\$549.75	5775664	
E 609-00000-254	Miscellaneous Purchase		\$30.93	5775665	
E 609-00000-251	Liquor Purchase		\$668.57	5775666	
E 609-00000-253	Wine Purchase		(\$41.34)	633159	
E 609-00000-251	Liquor Purchase		(\$226.18)	633768	
Total	JOHNSON BROTHERS LIQUOR		\$4,143.56		
Paid Chk# 042339	8/3/2017	KETCHUM, KAY			
G 220-20800	Security Deposits		\$250.00		SECURITY DEPOSIT REFUND
Total	KETCHUM, KAY		\$250.00		
Paid Chk# 042340	8/3/2017	KIRVIDA FIRE			
E 101-42260-404	Repair Machinery/Equipment		\$354.00	6390	2017 ANNUAL PUMP TEST - 2001 PUMPER
E 101-42260-404	Repair Machinery/Equipment		\$275.00	6391	2017 ANNUAL PUMP TEST - 2011 PUMPER
E 101-42260-404	Repair Machinery/Equipment		\$275.00	6392	2017 ANNUAL PUMP TEST - 1987 TANKER
Total	KIRVIDA FIRE		\$904.00		
Paid Chk# 042341	8/3/2017	KLM ENGINEERING INC			
E 730-00000-400	General Maintenance		\$1,200.00	6435	WATER TOWER INSPECTION
E 730-00000-401	Repair Buildings		\$1,200.00	6435	WATER TOWER INSPECTION
Total	KLM ENGINEERING INC		\$2,400.00		
Paid Chk# 042342	8/3/2017	LAKES AREA ELECTRIC, INC			
E 609-00000-401	Repair Buildings		\$222.06	4979	BLDG REPAIRS AND MAINTENANCE
Total	LAKES AREA ELECTRIC, INC		\$222.06		
Paid Chk# 042343	8/3/2017	LEXINGTON, CITY OF			
E 101-43100-382	Water/Sewer Utilities		\$11.47		03-00000111-00-4
E 101-45200-382	Water/Sewer Utilities		\$11.47		03-00000111-00-4
E 651-00000-382	Water/Sewer Utilities		\$3.47		03-00000111-00-4
E 730-00000-382	Water/Sewer Utilities		\$15.49		03-00000111-00-4
E 770-00000-382	Water/Sewer Utilities		\$15.49		03-00000111-00-4
E 101-45200-382	Water/Sewer Utilities		\$43.41		03-00000121-00-7
E 101-41500-382	Water/Sewer Utilities		\$307.94		03-00000231-00-7
E 101-42260-382	Water/Sewer Utilities		\$62.22		03-00000531-00-8
E 101-45200-382	Water/Sewer Utilities		\$34.09		03-00000581-00-3
E 220-47500-382	Water/Sewer Utilities		\$760.33		03-00000251-00-3
E 609-00000-382	Water/Sewer Utilities		\$245.31		03-00000181-00-5
Total	LEXINGTON, CITY OF		\$1,510.69		
Paid Chk# 042344	8/3/2017	LYLE SIGNS INC			
E 101-43100-226	Street Signs		\$4,309.20	000535254	STREET SIGNS REPLACEMENT
Total	LYLE SIGNS INC		\$4,309.20		
Paid Chk# 042345	8/3/2017	M AMUNDSON LLP			
E 609-00000-256	Tobacco Products For Resale		\$2,258.78	241289	
Total	M AMUNDSON LLP		\$2,258.78		
Paid Chk# 042346	8/3/2017	M/A ASSOCIATES			
E 101-43100-210	Operating Supplies		\$548.81	11895	SUPPLIES - PW
E 101-45200-210	Operating Supplies		\$548.80	11895	SUPPLIES - PW
Total	M/A ASSOCIATES		\$1,097.61		

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			Check Amt	Invoice	Comment
Paid Chk# 042347	8/3/2017	MET COUNCIL - WASTEWATER			
E 770-00000-389	MWCC Charges		\$7,321.61	0001070395	AUG 2017 SEWER CHARGES
Total	MET COUNCIL - WASTEWATER		\$7,321.61		
Paid Chk# 042348	8/3/2017	MIDAMERICA ADMINISTRATIVE			
G 101-21716	Other Retirement		\$150.00		AUG 2017 EMPLOYEE CONTRIBUTIONS
Total	MIDAMERICA ADMINISTRATIVE		\$150.00		
Paid Chk# 042349	8/3/2017	MINNESOTA EQUIPMENT			
E 101-45200-212	Gas & Oil		\$76.99	P64432	OILS - PARKS
Total	MINNESOTA EQUIPMENT		\$76.99		
Paid Chk# 042350	8/3/2017	MKL SERVICES, LLC			
E 220-46000-230	Contracted Services		\$132.00	080317	WEEK ENDING 07/22/17
E 220-46000-230	Contracted Services		\$132.00	080317	WEEK ENDING 07/29/17
Total	MKL SERVICES, LLC		\$264.00		
Paid Chk# 042351	8/3/2017	MN GFOA			
E 101-41500-208	Training and Instruction		\$225.00	08311	CONF. REGISTRATION - H. GALIOV
Total	MN GFOA		\$225.00		
Paid Chk# 042352	8/3/2017	MN MUNICIPAL BEVERAGE ASSOC			
E 609-00000-433	Dues and Subscriptions		\$1,350.00		2017-2018 MEMBERSHIP
G 609-15500	Prepaid Items		\$1,350.00		2017-2018 MEMBERSHIP
Total	MN MUNICIPAL BEVERAGE ASSOC		\$2,700.00		
Paid Chk# 042353	8/3/2017	MULTICARE ASSOCIATES			
E 609-00000-430	Miscellaneous		\$90.00		PRE-EMP. SCREENING
Total	MULTICARE ASSOCIATES		\$90.00		
Paid Chk# 042354	8/3/2017	NCPERS GROUP LIFE INSURANCE			
G 101-21724	Life Insurance		\$80.00	5868817	AUG 2017 PREMIUM
Total	NCPERS GROUP LIFE INSURANCE		\$80.00		
Paid Chk# 042355	8/3/2017	OXYGEN SERVICE COMPANY			
E 101-42260-210	Operating Supplies		\$123.60	03377162	
Total	OXYGEN SERVICE COMPANY		\$123.60		
Paid Chk# 042356	8/3/2017	PACE ANALYTICAL			
E 730-00000-306	Water Testing		\$50.00	17100181607	WATER TEST FEE
Total	PACE ANALYTICAL		\$50.00		
Paid Chk# 042357	8/3/2017	PARTSMASTER			
E 101-43100-240	Small Tools and Minor Equip		\$178.38	23173614	TOOLS
E 101-43100-240	Small Tools and Minor Equip		\$388.74	23174159	TOOLS
Total	PARTSMASTER		\$567.12		
Paid Chk# 042358	8/3/2017	PERFORMANCE PLUS			
E 101-42260-207	Physical & Fit Training		\$72.00	4741 LF	MEDICAL EVAL - FIRE DEPT
Total	PERFORMANCE PLUS		\$72.00		
Paid Chk# 042359	8/3/2017	PETRACEK, BILL			
E 101-41500-205	Mileage Reimbursement		\$200.00		AUG 2017 ALLOWANCES
E 101-41500-321	Telephone		\$100.00		AUG 2017 ALLOWANCES
Total	PETRACEK, BILL		\$300.00		
Paid Chk# 042360	8/3/2017	PHILLIPS WINE AND SPIRITS INC			

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			Check Amt	Invoice	Comment
E 609-00000-253	Wine Purchase		\$331.52	2198803	
E 609-00000-251	Liquor Purchase		\$519.54	2199764	
E 609-00000-253	Wine Purchase		\$893.24	2199765	
E 609-00000-253	Wine Purchase		(\$103.36)	268719	
Total PHILLIPS WINE AND SPIRITS INC			\$1,640.94		
Paid Chk# 042361	8/3/2017	PITNEY BOWES			
E 101-43500-322	Postage		\$351.75		POSTAGE REFILL
E 101-41500-322	Postage		\$80.40		POSTAGE REFILL
E 101-42260-322	Postage		\$30.15		POSTAGE REFILL
E 220-41500-322	Postage		\$50.25		POSTAGE REFILL
E 609-00000-322	Postage		\$150.75		POSTAGE REFILL
E 651-00000-322	Postage		\$40.20		POSTAGE REFILL
E 730-00000-322	Postage		\$150.75		POSTAGE REFILL
E 770-00000-322	Postage		\$150.75		POSTAGE REFILL
Total PITNEY BOWES			\$1,005.00		
Paid Chk# 042362	8/3/2017	POPP COMMUNICATIONS			
E 101-43100-321	Telephone		\$5.90	992424548	JULY 2017 TELEPHONE SERVICE
E 101-45200-321	Telephone		\$5.90	992424548	JULY 2017 TELEPHONE SERVICE
E 651-00000-321	Telephone		\$1.78	992424548	JULY 2017 TELEPHONE SERVICE
E 730-00000-321	Telephone		\$7.97	992424548	JULY 2017 TELEPHONE SERVICE
E 770-00000-321	Telephone		\$7.97	992424548	JULY 2017 TELEPHONE SERVICE
E 101-41500-321	Telephone		\$339.08	992424548	JULY 2017 TELEPHONE SERVICE
E 609-00000-321	Telephone		\$31.49	992424548	JULY 2017 TELEPHONE SERVICE
Total POPP COMMUNICATIONS			\$400.09		
Paid Chk# 042363	8/3/2017	PRESS PUBLICATIONS			
E 101-41500-351	Legal Notices Publishing		\$70.96	560205	2018 LAKE DRIVE
Total PRESS PUBLICATIONS			\$70.96		
Paid Chk# 042364	8/3/2017	RED BULL DISTRIBUTION CO.			
E 609-00000-254	Miscellaneous Purchase		\$218.75	13526-1237	
Total RED BULL DISTRIBUTION CO.			\$218.75		
Paid Chk# 042365	8/3/2017	ROCK GARDENS			
E 330-00000-500	Capital Expenditures		\$146.05	72799	WELL HOUSE PROJECT
Total ROCK GARDENS			\$146.05		
Paid Chk# 042366	8/3/2017	SHAMROCK GROUP, INC.			
E 609-00000-257	Ice For Resale		\$385.76	2140175	
Total SHAMROCK GROUP, INC.			\$385.76		
Paid Chk# 042367	8/3/2017	SHERWIN WILLIAMS			
E 101-45200-401	Repair Buildings		\$65.92	0339-5	CONCESSION STAND REPAIRS
Total SHERWIN WILLIAMS			\$65.92		
Paid Chk# 042368	8/3/2017	SMITH & GLASER, L.L.C.			
E 101-42110-304	Legal Fees		\$7,885.00	201508	MAY 2017 PROSECUTIONS
E 101-42110-304	Legal Fees		\$8,265.00	201508	JUNE 2017 PROSECUTIONS
Total SMITH & GLASER, L.L.C.			\$16,150.00		
Paid Chk# 042369	8/3/2017	SOUTHERN GLAZERS OF MN			
E 609-00000-251	Liquor Purchase		\$2,417.53	1566733	
E 609-00000-252	Beer Purchase		\$30.28	1566734	
E 609-00000-253	Wine Purchase		\$597.38	1566735	
E 609-00000-251	Liquor Purchase		\$2,360.83	1569282	

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			Check Amt	Invoice	Comment
E 609-00000-253	Wine Purchase		\$626.91	1569283	
E 609-00000-251	Liquor Purchase		\$1.28	5022404	
Total SOUTHERN GLAZERS OF MN			\$6,034.21		
Paid Chk# 042370	8/3/2017	SPRING LAKE PARK FIRE DEPT			
E 101-42260-208	Training and Instruction		\$2,260.00	BC-0154	TRAINING - FIRE DEPT
Total SPRING LAKE PARK FIRE DEPT			\$2,260.00		
Paid Chk# 042371	8/3/2017	SPRINT			
E 101-43100-321	Telephone		\$31.30	495076029-17	JUN-JUL 2017 CELL SERVICE
E 101-45200-321	Telephone		\$31.30	495076029-17	JUN-JUL 2017 CELL SERVICE
E 651-00000-321	Telephone		\$15.65	495076029-17	JUN-JUL 2017 CELL SERVICE
E 730-00000-321	Telephone		\$39.13	495076029-17	JUN-JUL 2017 CELL SERVICE
E 770-00000-321	Telephone		\$39.16	495076029-17	JUN-JUL 2017 CELL SERVICE
Total SPRINT			\$156.54		
Paid Chk# 042372	8/3/2017	SUMMIT COMPANIES			
E 101-42260-400	General Maintenance		\$210.50	1197522	ANNUAL FIRE EXT. INSPECTION
E 101-43100-400	General Maintenance		\$70.25	1197525	ANNUAL FIRE EXT. INSPECTION
E 101-45200-400	General Maintenance		\$70.25	1197525	ANNUAL FIRE EXT. INSPECTION
E 651-00000-400	General Maintenance		\$70.25	1197525	ANNUAL FIRE EXT. INSPECTION
E 730-00000-400	General Maintenance		\$70.25	1197525	ANNUAL FIRE EXT. INSPECTION
E 770-00000-400	General Maintenance		\$70.25	1197525	ANNUAL FIRE EXT. INSPECTION
E 220-47000-400	General Maintenance		\$192.90	1197528	ANNUAL FIRE EXT. INSPECTION
E 101-41500-400	General Maintenance		\$193.25	1197530	ANNUAL FIRE EXT. INSPECTION
E 609-00000-400	General Maintenance		\$164.90	1197533	ANNUAL FIRE EXT. INSPECTION
Total SUMMIT COMPANIES			\$1,112.80		
Paid Chk# 042373	8/3/2017	TWIST OFFICE PRODUCTS			
E 609-00000-200	Office Supplies		\$76.32	805339-0	
Total TWIST OFFICE PRODUCTS			\$76.32		
Paid Chk# 042374	8/3/2017	ULTIMATE SAFETY CONCEPTS INC.			
E 101-42260-400	General Maintenance		\$52.35	172487	
E 101-42260-400	General Maintenance		\$30.48	172525	
Total ULTIMATE SAFETY CONCEPTS INC.			\$82.83		
Paid Chk# 042375	8/3/2017	WALTERS RUBBISH INC			
E 101-41500-384	Refuse/Garbage Disposal		\$58.87	0002508510	JULY 2017 SERVICE
E 101-43100-384	Refuse/Garbage Disposal		\$32.02	0002508510	JULY 2017 SERVICE
E 101-45200-384	Refuse/Garbage Disposal		\$32.02	0002508510	JULY 2017 SERVICE
E 651-00000-384	Refuse/Garbage Disposal		\$9.63	0002508510	JULY 2017 SERVICE
E 730-00000-384	Refuse/Garbage Disposal		\$43.23	0002508510	JULY 2017 SERVICE
E 770-00000-384	Refuse/Garbage Disposal		\$43.23	0002508510	JULY 2017 SERVICE
E 220-46000-384	Refuse/Garbage Disposal		\$423.59	0002508510	JULY 2017 SERVICE
E 609-00000-384	Refuse/Garbage Disposal		\$85.79	0002508510	JULY 2017 SERVICE
Total WALTERS RUBBISH INC			\$728.38		
Paid Chk# 042376	8/3/2017	WILD MOUNTAIN WINERY INC			
E 609-00000-253	Wine Purchase		\$251.28	1552	
Total WILD MOUNTAIN WINERY INC			\$251.28		
Paid Chk# 042377	8/3/2017	WINE MERCHANTS			
E 609-00000-253	Wine Purchase		\$255.54	7141364	
Total WINE MERCHANTS			\$255.54		
Paid Chk# 042378	8/3/2017	XCEL ENERGY			

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E 730-00000-381	Electric Utilities	\$45.28	552643552	
	Total XCEL ENERGY	\$45.28		
	10100 4M FUND	\$154,355.85		

Fund Summary**10100 4M FUND**

101 GENERAL FUND	\$95,441.62
220 LOVELL BUILDING	\$2,674.57
330 WATER CAPITAL FUND	\$333.64
599 POLICE BUILDING	\$4,878.54
609 MUNICIPAL LIQUOR FUND	\$36,312.88
651 STORM WATER FUND	\$170.36
730 WATER FUND	\$6,793.26
770 SEWER FUND	\$7,750.98
	\$154,355.85

Report Criteria:
Report type: Summary

GL Period	Check Issue Date	Ck No	Payee	Description	Check Amount
06/17	06/30/2017	11509	SUN LIFE FINANCIAL	JULY LIFE/DISABILITY INS	1,167.96
06/17	06/30/2017	201709	U S BANK	VISA EFT-CLERICAL UNIFORMS	468.95
Grand Totals:					1,636.91

Report Criteria:

Report type: Summary

GL Period	Check Issue Date	Ck No	Payee	Description	Check Amount
07/17	07/06/2017	11510	ABRAMS & SCHMIDT LLC	JUNE LABOR CONSULTANT FEES	389.50
07/17	07/06/2017	11511	ALLIED BLACKTOP CO	ASPHALT REPAIR & MTC	4,138.00
07/17	07/06/2017	11512	AMAZON	CELL PHONE CASES	271.90
07/17	07/06/2017	11513	ASPEN MILLS, INC	UNIFORMS CSO LL	141.45
07/17	07/06/2017	11514	AXON ENTERPRISE, INC	BODY CAM	547.96
07/17	07/06/2017	11515	BCA/MNJIS SECTION	2ND QTR CJDN/CJRS	390.00
07/17	07/06/2017	11516	CENTENNIAL UTILITIES	MAY UTILITIES	236.94
07/17	07/06/2017	11517	COVERALL OF THE TWIN CITIES INC	JULY CLEANING SERVICE	780.00
07/17	07/06/2017	11518	DEPUTY REGISTRAR #150	3 FORFEITURE VEH TRANSFERS	65.25
07/17	07/06/2017	11519	DON'S CIRCLE SERVICE, INC	VEHICLE REPAIRS & MTC	597.79
07/17	07/06/2017	11520	NEAL A. NOREN	JUNE BLDG MTC HOURS	165.00
07/17	07/06/2017	11521	PETTY CASH /JENNIFER GRUBBS	POSTAGE	74.76
07/17	07/06/2017	11522	QUILL CORPORATION	COPY PAPER/BATTERIES/MISC	399.39
07/17	07/06/2017	11523	SHRED-N-GO, INC	JUNE SHREDDING SERVICE	48.83
07/17	07/06/2017	11524	SIGNS NOW	VEHICLE GRAPHICS	671.50
07/17	07/06/2017	11525	TELECIDE PRODUCTIONS, INC	COMPUTER MTC KASPERSKY SECUR	1,659.09
07/17	07/06/2017	11526	TOP GREEN CO.	JULY GROUNDS MTC	3,387.92
07/17	07/06/2017	11527	VERIZON WIRELESS	INTERNET ACCESS	1,107.17
07/17	07/06/2017	201710	OPTUM BANK	EFT-3RD QTR HSA CONTRIBUTIONS	9,449.97
Grand Totals:					<u>24,522.42</u>

Report Criteria:
 Report type: Summary

GL Period	Check Issue Date	Ck No	Payee	Description	Check Amount
07/17	07/12/2017	11528	DMV	PATRIOTIC LICENSE PLATES	30.00
07/17	07/20/2017	11529	ANOKA COUNTY	2ND QTR CJDN/MDT	540.00
07/17	07/20/2017	11530	ANOKA CO TREASURY DEPT.	AUGUST BROADBAND	75.00
07/17	07/20/2017	11531	ANOKA COUNTY	MAPS	24.50
07/17	07/20/2017	11532	ASPEN MILLS, INC	UNIFORM PATCHES	344.00
07/17	07/20/2017	11533	BARNUM GATE SERVICES, INC	3 TRANSMITTERS	109.20
07/17	07/20/2017	11534	CENTENNIAL UTILITIES	JUNE UTILITIES	997.60
07/17	07/20/2017	11535	CENTURY LINK	JULY COMMUNICATIONS	114.69
07/17	07/20/2017	11536	CONNEXUS ENERGY	ELECTRIC JUNE	2,329.16
07/17	07/20/2017	11537	CONSOLIDATED COMMUNICATIONS	PHONES	382.61
07/17	07/20/2017	11538	DELTA DENTAL	AUGUST DENTAL	1,532.20
07/17	07/20/2017	11539	DON'S CIRCLE SERVICE, INC	VEHICLE REPAIRS & MTC	78.00
07/17	07/20/2017	11540	HEALTH PARTNERS	AUGUST HEALTH INS	9,925.08
07/17	07/20/2017	11541	HOLIDAY FLEET	FUEL JUNE	2,426.82
07/17	07/20/2017	11542	OFFICE OF MN IT SERVICES	JUNE WAN CHARGES	61.30
07/17	07/20/2017	11543	SHRED-N-GO, INC	JULY SHREDDING	48.83
07/17	07/20/2017	11544	SUN LIFE FINANCIAL	AUGUST VOL LIFE INS LESS EMP INS	978.74
07/17	07/20/2017	11545	TRANSUNION RISK & ALTERNATIVE	INVESTIGATION EXPENSES JUNE	25.00
Grand Totals:					20,022.73

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT is made as of July ____, 2017 (the "Effective Date"), by and between the City of Lexington, Minnesota, a _____ ("Seller"), and Dominion Acquisition, LLC, a Minnesota limited liability company, and its successors and assigns ("Buyer").

In consideration of this Agreement, Seller and Buyer agree as follows:

1. Sale of Property. Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller, the following property (collectively, "Property"):
 - 1.1. Real Property. The real property located at 4175 Lovell Road, Lexington, Anoka County, Minnesota, and legally described on **Exhibit A** (the legal description is subject to modification based on the survey of the real property described in Section 6.1 hereof) (the "Land"), together with (1) all buildings and improvements constructed or located on the Land (the "Buildings"), and (2) all easements and rights benefiting or appurtenant to the Land (collectively, the "Real Property").
 - 1.2. Permits, Warranties, Records, Miscellaneous. Seller's interests in the following items, all of which relate to the Property: all permits and licenses (the "Permits"); all warranties and guaranties relating to the Property (the "Warranties"); and all business records, including real estate taxes, assessments, insurance, and services (the "Records"). These Permits do not include those issued by the City pursuant to law, regulation or ordinance.
2. Purchase Price and Manner of Payment. The total purchase price (the "Purchase Price") to be paid for the Property shall be Two Hundred Thousand and No/100 Dollars (\$200,000.00). The Purchase Price shall be payable as follows:
 - 2.1. \$50,000.00 as earnest money ("Earnest Money"), which Earnest Money shall be held by Commercial Partners Title, LLC ("Escrow Agent") in accordance with the Escrow Agreement attached hereto among Seller, Buyer and Escrow Agent.
 - 2.2. The balance of the Purchase Price in cash, certified check, cashier's check or by wire transfer of funds on the Closing Date.
3. Contingencies. The obligations of Buyer under this Agreement are contingent upon each of the following:
 - 3.1. Document Review. At its own cost, Seller shall have provided Buyer all documentation and things described on **Exhibit B** attached hereto on or before the Effective Date, and shall provide Buyer with all of the remaining documentation referred to in this Section 3 within fifteen (15) days of the Effective Date (collectively, the "Due Diligence"). Buyer shall have determined, within one-hundred twenty (120) days after the later of (the "Inspection Period") (a) the

Effective Date, or (b) receipt of the Due Diligence and the Title Evidence (defined below), that it is satisfied with its review and analysis of the Permits, Warranties, Records, Permitted Encumbrances, Due Diligence, and any other documentation Seller is required to provide to Buyer hereunder.

- 3.2. Representations and Warranties. The representations and warranties of Seller contained in this Agreement must be true now and on the Closing Date as if made on the Closing Date.
- 3.3. Title/Survey. Title to the Real Property and all Title Evidence (defined below) shall have been found acceptable, or been made acceptable, in accordance with the requirements and terms of Section 6 below.
- 3.4. Access and Inspection. Seller shall have allowed Buyer, and Buyer's agents, immediate access to the Real Property, including all systems and components, without charge and at all reasonable times for the purpose of Buyer's investigation and testing the same. Seller shall make available to Buyer and Buyer's Agents without charge all plans and specifications, records, inventories, permits and correspondence in Seller's possession relating to Hazardous Substances affecting the Property; and any and all soil reports, environmental reports, service contracts, or other relevant due diligence related to the Real Property that is in the Seller's possession, custody or control. Buyer shall have the right to interview employees or agents of Seller who may have knowledge of any such matters. At Buyer's sole cost and expense, Buyer shall have obtained and be satisfied with, in Buyer's sole discretion, a Phase I Environmental Site Assessment and, at Buyer's discretion, a Phase II of the Property, soil testing, and any and all additional environmental investigations and reports that Buyer deems appropriate. On or before the expiration of the Inspection Period, Buyer shall have been satisfied with the results of all tests and investigations performed by it.
- 3.5. Government and Financing Approvals. Buyer shall have obtained, at its sole cost and expense, on or before September 1, 2018 (the "Financing Commitment Period"), all final governmental and financing approvals necessary in Buyer's judgment in order to make the use of the Property which Buyer intends, including but not limited to state and local tax increment financing, including the establishment of a tax increment financing district inclusive of the Property and with a payment structure mutually agreed upon by the parties hereto, bond allocations and tax credit allocations, city soft fund approvals, an award of state and/or federal tax credits, and all other financing desired by Buyer. Seller shall cooperate in all reasonable respects with Buyer in obtaining such approvals, and shall execute such applications, permits and other documents as may be reasonably required in connection therewith.
- 3.6. Personal Property. On or prior to Closing, Seller shall remove from the Property all personal property of any kind or nature, excluding fixtures or other personal property necessary for the structural integrity of the Buildings.

- 3.7. Development Agreement. On or prior to Closing, Seller and Buyer agree to enter into a Development Agreement with such terms as are mutually acceptable to the parties hereto.

If any contingency has not been satisfied on or before the expiration date of such contingency as set forth above, as may be extended by Buyer, then this Agreement may be terminated by notice from Buyer to Seller. Upon termination, all of the Earnest Money, and any interest accrued thereon, shall be released to Buyer and upon return, neither party will have any further rights or obligations regarding this Agreement or the Property. Each of the contingencies is specifically for the benefit of the Buyer, and the Buyer shall have the right to waive any contingency by written notice to Seller. After the expiration of the Financing Commitment Period, if Buyer has not terminated this Agreement pursuant to this Section 3, except as otherwise set forth herein or as a result of Seller's default under this Agreement, the Earnest Money shall become nonrefundable to Buyer.

4. Closing. The closing of the purchase and sale contemplated by this Agreement (the "Closing") shall occur on October 31, 2018 (the "Closing Date"). The Closing shall take place at the office of Winthrop & Weinstine, P.A. in Minneapolis, Minnesota, or otherwise electronically in escrow with the Escrow Agent at Buyer's discretion. Seller agrees to deliver possession of the Property to Buyer on the Closing Date.

- 4.1. Seller's Closing Documents. On the Closing Date, Seller shall execute and deliver to Buyer the following (collectively, "Seller's Closing Documents"), all in form and content reasonably satisfactory to Buyer:

4.1.1. Deed. A Warranty Deed conveying the Real Property to Buyer, free and clear of all encumbrances, except the Permitted Encumbrances hereafter defined.

4.1.2. Assignment of Permits, Warranties and Miscellaneous Documents. An Assignment of Permits, Warranties and miscellaneous documents conveying Seller's interest to Buyer together with such consents and/or approvals of all parties having a right to consent to or approve such Assignment which Seller can obtain using reasonable efforts.

4.1.3. Original Documents. Original copies of the Permits, Warranties, and Records, plus all plans and specifications for the Property in Seller's possession.

4.1.4. FIRPTA Affidavit. A non-foreign affidavit, properly executed, containing such information as is required by IRC Section 1445(b)(2) and its regulations.

4.1.5. IRS Forms. A Designation Agreement designating the "reporting person" for purposes of completing Internal Revenue Form 1099 and, if applicable, Internal Revenue Form 8594.

- 4.1.6. Well Certificate. A Certificate signed by Seller warranting that there are no "Wells" on the Property within the meaning of Minn. Stat. § 103I or if there are "Wells", a Well Certificate in the form required by law.
- 4.1.7. Storage Tanks. If the Property contains or contained a storage tank, an affidavit with respect thereto, as required by Minn. Stat. § 116.48.
- 4.1.8. Individual Sewage Treatment Systems. If the Property contains an individual sewage treatment system, a disclosure statement as required by Minn. Stat. § 115.55.
- 4.1.9. Other Documents. All other documents reasonably determined by Buyer or Escrow Agent to be necessary to transfer the Property to Buyer free and clear of all encumbrances.
- 4.2. Buyer's Closing Documents. On the Closing Date, Buyer will execute and deliver to Seller the following (collectively, "Buyer's Closing Documents"):
 - 4.2.1. Purchase Price. Funds representing the Purchase Price, by wire transfer and execution or delivery of any required Buyer's financing documents.
 - 4.2.2. IRS Form. A Designation Agreement designating the "reporting person" for purposes of completing Internal Revenue Form 1099 and, if applicable, Internal Revenue Form 8594.
- 5. Prorations. Seller and Buyer agree to the following prorations and allocation of costs regarding this Agreement:
 - 5.1. Title Insurance and Closing Fee. Seller will pay all costs of the Title Evidence, except for costs to obtain the Survey, the Title Policy and the fees charged by the Escrow Agent for any escrow required regarding Buyer's Objections. Buyer will pay all additional premiums required for the issuance of any mortgagee's Title Policy. Seller and Buyer will each pay one-half of any closing fee or charge imposed by the Escrow Agent.
 - 5.2. Deed Tax. Seller shall pay all State Deed Tax and all other recording fees payable in connection with this transaction, including all costs associated with the prepayment of any existing debt or obligation affiliated with the Property. Buyer shall pay all Mortgage Registry Tax payable in connection with Buyer's financing.
 - 5.3. Real Estate Taxes and Special Assessments. All real estate taxes and special assessments payable in the years prior to the year in which the Closing occurs shall be paid by Seller. Real estate taxes payable in the year in which Closing occurs shall be pro-rated based upon a calendar year based upon the Closing Date. Seller shall pay the balance of all levied or pending special assessments against the Property at or prior to Closing.

5.4. Operating Costs. All other operating costs of the Property shall be allocated between Seller and Buyer as of the Closing Date, so that Seller pays that part of operating costs payable before the Closing Date, and Buyer pays that part of operating costs payable from and after the Closing Date.

5.5. Fees.

5.5.1. Each of the parties will pay its own attorney's fees relating to the drafting of this Agreement.

5.5.2. Buyer shall reimburse Seller for any and all legal fees, engineering fees and administrative fees and costs actually incurred by Seller prior to Closing relating to the Development Agreement, establishing the TIF district, and otherwise relating to the transactions described in this Agreement, up to a maximum amount of \$50,000. Seller shall provide to Buyer all reasonable documentation to support any fees and costs Seller seeks to be reimbursed by Buyer. As of the Effective Date, Buyer has deposited \$10,000 with Seller for purposes of Buyer's obligation to reimburse Seller as set forth under this Section 5.5.2. Any unused portion of the foregoing deposit shall be returned to Buyer at the earlier of (i) termination of this Agreement, or (ii) Closing.

6. Title Examination. Title Examination will be conducted as follows:

6.1. Title Evidence. Seller shall, within ten (10) days after the Effective Date, furnish the following to Buyer: (a) a commitment ("Title Commitment") for an ALTA 2006 Owner's Policy of Title Insurance insuring title to the Real Property, deleting standard exceptions and including affirmative insurance regarding zoning, contiguity, appurtenant easements and such other matters as may be identified by Buyer, in the amount of the Purchase Price, issued by the Escrow Agent; (b) if the Property is abstract property, Seller shall also deliver to the Escrow Agent or Buyer an Abstract of Title to the Real Property certified to current date to include all appropriate judgment and bankruptcy searches; and (c) UCC searches against Seller by name and the Property. Buyer may, within forty-five (45) days after the Effective Date, obtain an ALTA survey prepared by a registered land surveyor and certified to Buyer and Buyer's lender (the "Survey," together with items described in Subsections 6.1(a) – (c) above, "Title Evidence"), if any, showing the Real Property and location of all buildings and easements thereon and such other information and containing such matters as Buyer or Buyer's lender shall reasonably request. Seller shall cooperate in all reasonable respects with Buyer and Buyer's surveyor to allow the Survey to be completed in a timely manner.

6.2. Buyer's Objections. Within forty-five (45) days after receiving the last of the Title Evidence, Buyer will make written objections ("Objections") to the form and/or contents of the Title Evidence. Buyer's failure to make Objections within such time period will constitute waiver of Objections. Any matter shown on such

Title Evidence and not objected to by Buyer shall be a "Permitted Encumbrance" hereunder. Seller will have until thirty (30) days after receipt of the Objections to cure the Objections, during which period the Closing will be postponed, if necessary. Seller shall use its best efforts to correct any Objections. If the Objections are not cured within such thirty (30) day period, Buyer will have the option to do any of the following:

6.2.1. Terminate this Agreement and receive a refund of the Earnest Money and the interest accrued and unpaid on the Earnest Money, if any.

6.2.2. To the extent an Objection can be satisfied by the payment of money, Buyer shall have the right to apply a portion of the cash payable to Seller at the Closing to satisfaction of such Objection, and the amount so applied shall reduce the amount of cash payable to Seller at the Closing.

6.2.3. Waive the Objection and proceed to Closing.

7. Operation Prior to Closing. During the period from the date of Seller's acceptance of this Agreement to the Closing Date (the "Executory Period"), Seller shall operate and maintain the Property in the ordinary course of business in accordance with prudent, reasonable business standards, including the maintenance of adequate liability insurance and insurance against loss by fire, windstorm and other hazards, casualties and contingencies, including vandalism and malicious mischief. Seller shall execute no contracts, leases or other agreements regarding the Property during the Executory Period that are not terminable on or before the Closing Date, without the prior written consent of Buyer, which consent may be withheld by Buyer at its sole discretion.

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

8.1. Existence; Authority. Seller is a valid municipal corporation, as the City of Lexington, Minnesota, and has the requisite power and authority to enter into and perform this Agreement and Seller's Closing Documents; such documents have been duly authorized by all necessary action; such documents are valid and binding obligations of Seller, and are enforceable in accordance with their terms.

8.2. Leases. At Closing, there will be no leases or possessory rights regarding the Real Property.

8.3. Contracts. Seller shall cancel any and all contracts relating to the Property, or consensually transfer same to Buyer, including, but not limited to all service and maintenance contracts, so that any such contracts do not continue to be effective after the Closing Date.

8.4. Operations. Seller has received no notice of actual or threatened cancellation or suspension of any utility services for any portion of the Real Property. Seller has received no notice of actual or threatened special assessments or reassessments of the Real Property. The Property is, and to Seller's best knowledge has been, used

in compliance with all governmental permits. All necessary permits have been obtained and are in full force and effect and no default exists thereunder. Seller is not in default concerning any of its obligations or liabilities regarding the Real Property.

- 8.5. Environmental Laws. No toxic or hazardous substances or wastes, pollutants or contaminants (including, without limitation, asbestos, urea formaldehyde, the group of organic compounds known as polychlorinated biphenyls, petroleum products including gasoline, fuel oil, crude oil and various constituents of such products, and any hazardous substance as defined in any state, local or federal law, regulation, rule, policy or order relating to the protection of the environment) (collectively, "Hazardous Substance") have been generated, treated, stored, transferred from, released or disposed of, or otherwise placed, deposited in or located on the Property, nor has any activity been undertaken on the Property that would cause or contribute to the Property becoming a treatment, storage or disposal facility within the meaning of, or otherwise bring the Property within the ambit of, any state, local or federal law, regulation, rule, policy or order relating to the protection of the environment, nor has there been any discharge, release or threatened release of Hazardous Substances from the Property, nor are any Hazardous Substances or conditions in or on the Property that may support a claim or cause of action under any state, local or federal law, regulation, rule, policy or order relating to the protection of the environment, that has not been disclosed to Buyer. Seller is aware of asbestos used in insulation and building materials, and lead paint on the Property. The Property is not now, and to the best knowledge of Seller never has been, listed on any list of sites contaminated with Hazardous Substances, nor used as landfill, dump, disposal or storage site for Hazardous Substances.
- 8.6. Seller's Defaults. Seller is not in default concerning any of its obligations or liabilities regarding the Property.
- 8.7. FIRPTA. Seller is not a "foreign person", "foreign partnership", "foreign trust" or "foreign estate", as those terms are defined in Section 1445 of the Internal Revenue Code.
- 8.8. Proceedings. There is no action, litigation, administrative proceeding, investigation, condemnation or proceeding of any kind pending or threatened against Seller or any portion of the Property.
- 8.9. Wells and Individual Sewage Treatment Systems. The Seller certifies and warrants that the Seller does not know of any "Wells" on the described Property within the meaning of Minn. Stat. § 103I or "Individual Sewage Treatment Systems" on the described Property within the meaning of Minn. Stat. § 115.55. This representation is intended to satisfy the requirements of those statutes.
- 8.10. Storage Tanks. No above ground or underground tanks are located in or about the Property, or have been located under, in or about the Property and have

subsequently been removed or filled, and to the extent storage tanks exist on or under the Real Property, such storage tanks have been duly registered with all appropriate regulatory and governmental bodies, and otherwise are in compliance with applicable federal, state and local statutes, regulations, ordinances and other regulatory requirements.

- 8.11. Reports. Seller has delivered to Buyer copies of all environmental reports and studies relating to the Property which are in the possession of Seller.
- 8.12. No Conflict or Lien. Neither the execution or delivery of this Agreement nor the consummation of the transaction as contemplated herein will conflict with or result in a breach of any contract, license or undertaking to which Seller is a party or by which any of its property is bound, or constitute a default thereunder or, except as contemplated herein, result in the creation of any lien or encumbrance upon the Property.
- 8.13. Utilities. Water, gas, telephone, electricity and storm sewer utilities are currently available on or near the Real Property for Buyer's use.
- 8.14. Private Restrictions. Except for applicable zoning ordinances, there are no and will be no private restrictions that affect the uses which may be made of the Real Property by Buyer, including, but not limited to, the size or cost of any building or structures to be placed on the Real Property, limitations on use or restrictions in regard to fences, roofs, garages and heights of buildings or structures to be placed on the Real Property, agreements to subject architectural plans to an association or other group, provisions requiring the joining with others in group actions, or restrictions imposed on the Real Property due to its historical significance.
- 8.15. Additional Interests. There are no property interests or other improvements that are owned by Seller and which are necessary or useful for the operation of the Property that are not being conveyed pursuant to this Agreement.
9. Casualty; Condemnation. If all or any part of the Property is substantially damaged by fire, casualty, the elements or any other cause, Seller shall immediately give notice to Buyer, and Buyer shall have the right to terminate this Agreement and receive back all Earnest Money by giving notice within thirty (30) days after Seller's notice. If Buyer shall fail to give the notice, then the parties shall proceed to Closing, and Seller shall assign to Buyer all rights to insurance proceeds resulting from such event. If eminent domain proceedings are threatened or commenced against all or any part of the Property, Seller shall immediately give notice to Buyer, and Buyer shall have the right to terminate this Agreement and receive back all Earnest Money by giving notice within thirty (30) days after Seller's notice. If Buyer shall fail to give the notice, then the parties shall proceed to Closing, and Seller shall assign to Buyer all rights to appear in and receive any award from such proceedings.
10. Broker's Commission. If a Closing occurs, Seller shall pay all brokerage commissions and other fees and costs associated with the transaction contemplated under this

11. Assignment. Either party may assign its rights under this Agreement before or after the Closing. Either party may assign its rights under this Agreement before or after the Closing except that Buyer or Buyer's Assignee must either develop and construct the proposed project [INSERT DEFINITION HERE] on the Property or offer the City the right of first refusal to purchase the property for the amount of the purchase price set forth in paragraph 2. Any such assignment will not relieve such assigning party of its obligations under this Agreement.
12. Survival. All of the terms of this Agreement and warranties and representations herein contained shall survive and be enforceable after the Closing.
13. Notices. Any notice required or permitted hereunder shall be given by personal delivery upon an authorized representative of a party hereto; or if mailed in a sealed wrapper by United States registered or certified mail, return receipt requested, postage prepaid; or if transmitted by facsimile copy followed by mailed notice; or if deposited cost paid with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Seller: The City Of Lexington
9180 Lexington Avenue NE
Lexington, Minnesota 55014
Attention: City Administrator
Facsimile #: 763-785-8951

With Copy to:

Smith & Glaser, LLC
333 Washington Avenue
405 Union Plaza Building
Minneapolis, Minnesota 55401
Attention: Kurt B. Glaser, City Attorney
612-333-6513
612-333-3821 Facsimile
KurtGlaser@GlaserLaw.net

Notices shall be deemed effective on the earlier of the date of receipt or the date of deposit, as aforesaid; provided, however, that if notice is given by deposit, the time for response to any notice by the other party shall commence to run one business day after any such deposit. Any party may change its address for the service of notice by giving notice of such change ten (10) days prior to the effective date of such change.

14. Miscellaneous. The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement. This written Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the Property. There are no verbal agreements that change this Agreement, and no waiver of any of its terms will be effective unless in a writing executed by the parties. This Agreement binds and benefits the parties and their successors and assigns. This Agreement has been made under the laws of the State of Minnesota and such laws will control its interpretation.
15. Remedies. If Buyer defaults under this Agreement, Seller shall have the right to terminate this Agreement by giving written notice to Buyer. If Buyer fails to cure such default within thirty (30) days of the date of such notice, this Agreement will terminate, and upon such termination Seller will retain the Earnest Money as liquidated damages, time being of the essence of this Agreement. The termination of this Agreement and retention of the Earnest Money will be the sole remedy available to Seller for such default by Buyer, and Buyer will not be liable for damages or specific performance. If Seller defaults under this Agreement, Buyer shall have the right to seek specific performance of this Agreement. Right of First Refusal. Seller represents to Buyer that it is interested in issuing all bonds necessary for Buyer to finance the transactions contemplated under this Agreement. Buyer hereby grants to Seller the right of first refusal to issue the necessary bonds so long as Seller agrees in writing to issue such bonds on as good of or better terms offered by another governmental agency willing to issue such bonds, including, but not limited to, pricing, documentation, and timing to close.

13806037v3

[SIGNATURE PAGE TO FOLLOW]

Seller and Buyer have executed this Agreement as of the date first written above.

SELLER:

THE CITY OF LEXINGTON

By: _____
Name: _____
Its: _____

BUYER:

DOMINIUM ACQUISITION, LLC, a Minnesota
limited liability company

By: _____
Mark S. Moorhouse
Its: Senior Vice President

ESCROW RECEIPT

The undersigned, Commercial Partners Title, LLC ("Escrow Agent"), acknowledges receipt of Fifty Thousand and No/100 Dollars (\$50,000) (the "Deposit") to be held by it pursuant to the Purchase Agreement to which this Escrow Receipt is attached. Escrow Agent agrees to hold the Deposit in accordance with the terms of the Purchase Agreement and disburse the same strictly in accordance with such terms. Escrow Agent shall invest the Deposit in such interest-bearing accounts or instruments as shall be approved by both Buyer and Seller. Interest shall accrue for the benefit of Buyer.

Seller and Buyer represent that their respective Tax I.D. Numbers are as follows: Seller, _____; Buyer, 41-1895927.

Escrow Agent shall have no responsibility for any decision concerning performance or effectiveness of the Purchase Agreement or to resolve any disputes concerning the Purchase Agreement. Escrow Agent shall be responsible only to act in accordance with the joint and mutual direction of both Seller and Buyer, or in lieu thereof, the direction of a court of competent jurisdiction. Seller and Buyer undertake to hold Escrow Agent harmless from all claims for damages arising out of this Escrow Receipt and do hereby agree to indemnify Escrow Agent for an costs and expenses in connection with this escrow, including court costs and attorneys' fees, except for Escrow Agent's failure to account for the funds held hereunder, or acting in conflict with the terms hereof.

The fees and charges of the Escrow Agent shall be paid by Seller and Buyer in accordance with the terms of the Purchase Agreement.

ESCROW AGENT:

By: _____

Name: _____

Its: _____

[ADDITIONAL SIGNATURE PAGE TO FOLLOW]

[SIGNATURE PAGE TO ESCROW RECEIPT]

SELLER:

THE CITY OF LEXINGTON

By: _____

Name: _____

Its: _____

BUYER:

DOMINIUM ACQUISITION, LLC, a Minnesota
limited liability company

By: _____

Mark S. Moorhouse

Its: Senior Vice President

EXHIBIT A

(Legal Description)

[INSERT]

EXHIBIT B

(Due Diligence)

1. Previous title work for the Property (commitment, abstract, UCC searches, owner's policy, etc.);
2. Known special assessments affecting the Property for the last three calendar years;
3. Copies of any ALTA surveys, boundary surveys, architectural plans or specifications of the Property in possession of Seller;
4. City code violations or complaints relating to the Property over the last three calendar years;
5. Copies of engineering and/or environmental reports relating to the Property prepared in the last three calendar years; and
6. As-built construction plans for the existing building on the Real Property.

STATE OF MINNESOTA
COUNTY OF ANOKA
CITY OF LEXINGTON

I, the undersigned, being the duly qualified and acting Administrator of the City of Lexington, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council, duly called and held on the date therein indicated, insofar as such minutes relate to authorizing the issuance and awarding the sale of \$1,320,000 General Obligation Improvement and Tax Abatement Bonds, Series 2017A.

WITNESS my hand on August 3, 2017.

Administrator

**EXTRACT OF MINUTES OF A MEETING
OF THE CITY COUNCIL OF THE
CITY OF LEXINGTON, MINNESOTA**

HELD: AUGUST 3, 2017

Pursuant to due call, a regular or special meeting of the City Council of the City of Lexington, Anoka County, Minnesota, was duly held at the City Hall on August 3, 2017, at 7:00 P.M., for the purpose, in part, of authorizing the issuance and awarding the sale of \$1,320,000 General Obligation Improvement and Tax Abatement Bonds, Series 2017A.

The following members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 17-12

**RESOLUTION ACCEPTING PROPOSAL ON THE SALE OF \$1,320,000
GENERAL OBLIGATION IMPROVEMENT AND TAX ABATEMENT
BONDS, SERIES 2017A, PROVIDING FOR THEIR ISSUANCE AND
PLEDGING FOR THE SECURITY THEREOF SPECIAL ASSESSMENTS
AND ABATEMENTS AND LEVYING A TAX FOR THE PAYMENT
THEREOF**

A. WHEREAS, the City Council of the City of Lexington, Minnesota (the "City") has heretofore determined and declared that it is necessary and expedient to issue \$1,320,000 General Obligation Improvement and Tax Abatement Bonds, Series 2017A (the "Bonds" or individually a "Bond"), pursuant to Minnesota Statutes, Chapter 475 and 429 and Sections 469.1812 through 469.1815, particularly Section 469.1814, to finance the construction of various public improvements within the City (the "Improvements"), in the amount of \$ _____ (the "Improvement Portion of the Bonds") and to finance the City's share of the 2018 Anoka County Lake Drive Improvements (the "Abatement Improvements") in the amount of \$ _____ (the "Abatement Portion of the Bonds"); and

B. WHEREAS, the Improvements and all their components have been ordered prior to the date hereof, after a hearing thereon for which notice was given describing the Improvements or all their components by general nature, estimated cost, and area to be assessed; and

C. WHEREAS, on July 20, 2017, following duly published notice thereof, the Council held a public hearing on the proposed abatement to finance the Abatement Improvements and all persons who wished to speak or provide written information relative to the public hearing were afforded an opportunity to do so; and

D. WHEREAS, the City has heretofore established a tax abatement program (the "Program"), pursuant to the provisions of Minnesota Statutes, Sections 469.1812 through 469.1815, with respect to providing for the abatement of property taxes for a period of twenty (20) years on various properties in the City, as described in the Resolution adopted by the City Council on this date, approving the Program (the "Abatement Resolution"); and

E. WHEREAS, the amount of the property taxes abated are estimated to be at least equal to the principal on the Abatement Portion of the Bonds and pursuant to the provisions of the Abatement Resolution, Bond proceeds are to be expended to provide money to pay for the Abatement Improvements; and

F. WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the sale of the Bonds and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9) and proposals to purchase the Bonds have been solicited by Ehlers; and

G. WHEREAS, the proposals set forth on Exhibit A attached hereto were received by the Administrator, or designee, at the offices of Ehlers at 10:00 A.M. this same day pursuant to the Preliminary Official Statement for the Bonds, dated July 20, 2017; and

H. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Lexington, Minnesota, as follows:

1. Acceptance of Proposal. The proposal of _____ (the "Purchaser"), to purchase the Bonds in accordance with the Preliminary Official Statement established for the Bonds, at the rates of interest hereinafter set forth, and to pay therefor the sum of \$_____, plus interest accrued to settlement, is hereby found, determined and declared to be the most favorable proposal received and is hereby accepted, and the Bonds are hereby awarded to the Purchaser. The Finance Director is directed to retain the deposit of the Purchaser and to forthwith return to the unsuccessful bidders their good faith checks or drafts.

2. Bond Terms.

(a) Original Issue Date; Denominations; Maturities; Term Bond Option. The Bonds shall be dated August 24, 2017, as the date of original issue and shall be issued forthwith on or after such date in fully registered form, shall be numbered from R-1 upward in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations") and shall mature on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2019	\$	2029	\$
2020		2030	
2021		2031	
2022		2032	
2023		2033	
2024		2034	
2025		2035	
2026		2036	
2027		2037	
2028		2038	

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

(b) Allocation. The Improvement Portion of the Bonds, being the aggregate principal amount of \$_____, maturing in each of the years and amounts hereinafter set forth, is issued to finance the Improvements. The Abatement Portion of the Bonds, being the aggregate principal amount of \$_____, maturing in each of the years and amounts hereinafter set forth, is issued to finance the Abatement Improvements.

<u>Year</u>	<u>Improvement Portion</u>	<u>Abatement Portion</u>	<u>Total</u>
2019	\$	\$	\$
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			

If Bonds are prepaid, the prepayments shall be allocated to the portions of debt service (and hence allocated to the payment of Bonds treated as relating to a particular portion of debt service) as provided in this paragraph. If the source of prepayment moneys is the general fund of the City, or other generally available source, the prepayment may be allocated to any of the portions of debt service in such amounts as the City shall determine. If the source of a prepayment is special assessments pledged to and taxes levied for the Improvements, the prepayment shall be allocated to the Improvement Portion of debt service. If the source of a prepayment is taxes abated for the Abatement Improvements, the prepayment shall be allocated to the Abatement Portion of debt service.

(c) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

- (i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.
- (ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").
- (iii) With respect to the Bonds neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository ("Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds

are credited on the record date identified in a listing attached to the omnibus proxy.

- (iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.
- (v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.
- (vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").
- (vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.
- (viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than fifteen calendar days in advance of such special record date to the extent possible.

- (ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(d) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

- (i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.
- (ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.
- (iii) Nothing in this subparagraph (d) shall limit or restrict the provisions of paragraph 10.

(e) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose. The Improvement Portion of the Bonds shall provide funds to finance the construction of the Improvements. The Abatement Portion of the Bonds shall provide funds to finance construction of the Abatement Improvements. Pursuant to the Abatement Resolution, the City's share of real estate taxes generated as a result of the Abatement Improvements and the Program (the "Tax Abatements") have been pledged to the payment of principal on the Abatement Portion of the Bonds. The principal amount of the Abatement Portion of the Bonds does not exceed the estimated amount of Tax Abatements, which is \$300,000. The Improvements and Abatement Improvements are herein referred to together as the Project. Proceeds of the Abatement Portion of the Bonds shall be expended on costs or uses permitted by Minnesota Statutes, Sections 469.1812 through 469.1815, and shall not be expended on any costs

or devoted to any other uses. The total cost of the Project, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Bonds. The City covenants that it shall do all things and perform all acts required of it to assure that work on the Project proceeds with due diligence to completion and that any and all permits and studies required under law for the Project are obtained.

4. Interest. The Bonds shall bear interest payable semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing August 1, 2018, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity years as follows:

<u>Maturity Year</u>	<u>Interest Rate</u>	<u>Maturity Year</u>	<u>Interest Rate</u>
2019	%	2029	%
2020		2030	
2021		2031	
2022		2032	
2023		2033	
2024		2034	
2025		2035	
2026		2036	
2027		2037	
2028		2038	

5. Redemption. All Bonds maturing on February 1, 2028 and thereafter, shall be subject to redemption and prepayment at the option of the City on February 1, 2027, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the City; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds not more than sixty (60) days and not fewer than thirty (30) days prior to the date fixed for redemption.

To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar prior to giving notice of redemption shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the

City and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

6. Bond Registrar. Bond Trust Services Corporation, in Roseville, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
ANOKA COUNTY
CITY OF LEXINGTON

R-_____ \$ _____

GENERAL OBLIGATION IMPROVEMENT AND TAX ABATEMENT BOND, SERIES
2017A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
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	February 1,	August 24, 2017	
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REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of Lexington, Anoka County, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, unless called for earlier redemption, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing August 1, 2018, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of Bond Trust Services Corporation, in Roseville, Minnesota (the

"Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer, acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. All Bonds of this issue (the "Bonds") maturing on February 1, 2028, and thereafter, are subject to redemption and prepayment at the option of the Issuer on February 1, 2027, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the Issuer; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds not more than sixty (60) days and not fewer than thirty (30) days prior to the date fixed for redemption.

Prior to the date on which any Bond or Bonds are directed by the Issuer to be redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Bonds to be redeemed to be mailed to the Bond Registrar and all Bondholders, at the addresses shown on the Bond Register. All Bonds so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The

Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; General Obligation. This Bond is one of an issue in the total principal amount of \$1,320,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council on August 3, 2017 (the "Resolution"), for the purpose of providing money to finance various improvement projects within the jurisdiction of the Issuer. This Bond is payable out of the General Obligation Improvement and Tax Abatement Bonds, Series 2017A Fund of the Issuer. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

Qualified Tax-Exempt Obligation. This Bond has been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law; and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Lexington, Anoka County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of its Mayor and its Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by: BOND TRUST SERVICES
CORPORATION

BOND REGISTRAR'S
CERTIFICATE OF
AUTHENTICATION

Payable at: BOND TRUST SERVICES
CORPORATION

CITY OF LEXINGTON,
ANOKA COUNTY, MINNESOTA

This Bond is one of the Bonds
described in the Resolution
mentioned within.

BOND TRUST SERVICES
CORPORATION
Roseville, Minnesota,
Bond Registrar

/s/ Facsimile _____
Mayor

By: _____
Authorized Signature

/s/ Facsimile _____
Administrator

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA - _____ as custodian for _____
(Cust) (Minor)

under the _____ Uniform

(State)

Transfers to Minors Act

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: _____

(Include information for all joint owners if the Bond is held by joint account.)

8. Execution. The Bonds shall be in typewritten form, shall be executed on behalf of the City by the signatures of its Mayor and Administrator and be sealed with the seal of the City; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on the Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue of August 24, 2017. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or the Holder's attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Finance Director is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Finance Director to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. There is hereby established a special fund to be designated "General Obligation Improvement and Tax Abatement Bonds, Series 2017A Fund" (the "Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund

shall be maintained in the manner herein specified until all of the Bonds and the interest thereon have been fully paid. There shall be maintained in the Fund two (2) separate accounts, to be designated the "Construction Account" and "Debt Service Account", respectively.

(a) Construction Account. To the Construction Account there shall be credited the proceeds of the sale of the Bonds, less any amount paid for the Bonds in excess of the minimum bid plus any special assessments levied with respect to the Improvements and collected prior to completion of the Improvements and payment of the costs thereof. From the Construction Account there shall be paid all costs and expenses of making the Project, including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65. Moneys in the Construction Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Bonds may also be used to the extent necessary to pay interest on the Bonds due prior to the anticipated date of commencement of the collection of Tax Abatements, taxes or special assessments herein levied or covenanted to be levied; and provided further that if upon completion of the Project there shall remain any unexpended balance in the Construction Account attributable to the Improvement Portion of the Bonds, the balance (other than any special assessments) shall be transferred by the Council to the Debt Service Account or the fund of any other improvement instituted pursuant to Minnesota Statutes, Chapter 429, and provided further that any special assessments credited to the Construction Account shall only be applied towards payment of the costs of the Improvements upon adoption of a resolution by the City Council determining that the application of the special assessments for such purpose will not cause the City to no longer be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

(b) Debt Service Account. There shall be maintained two separate subaccounts in the Debt Service Account to be designated the "Improvements Debt Service Subaccount", and the "Abatement Debt Service Subaccount". There are hereby irrevocably appropriated and pledged to, and there shall be credited to the separate subaccounts of the Debt Service Account:

- (i) Improvements Debt Service Subaccount. To the Improvements Debt Service Subaccount there shall be credited: (A) all collections of special assessments herein covenanted to be levied with respect to the Improvements and either initially credited to the Construction Account and not already spent as permitted above and required to pay any principal and interest due on the Bonds or collected subsequent to the completion of the Improvements and payment of the costs thereof; (B) any collections of all taxes which herein or hereafter levied for the payment of the principal and interest on the Improvement Portion of the Bonds; (C) a pro rata share of all funds remaining in the Construction Account after completion of the Project and payment of the costs thereof; (D) a pro rata share of all funds paid for the Bonds in excess of the minimum bid; (E) all investment earnings on funds held in the Improvements Debt Service Subaccount; and (F) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Improvements Debt Service Subaccount. The Improvements Debt Service Subaccount shall be used solely to pay the principal and interest and any premium for redemption of the Improvement

Portion of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said subaccount as provided by law.

- (ii) Abatement Debt Service Subaccount. To the Abatement Debt Service Subaccount there shall be credited: (A) Tax Abatements in an amount sufficient to pay the annual principal payments on the Bonds; (B) any taxes herein and hereafter levied for the payment of the interest on the Abatement Portion of the Bonds; (C) a pro rata share of all funds remaining in the Construction Account after completion of the Project and payment of the costs thereof; (D) a pro rata share of all funds paid for the Bonds in excess of the minimum bid; (E) all investment earnings on funds held in the Abatement Debt Service Subaccount; and (F) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Abatement Debt Service Subaccount. The Abatement Debt Service Subaccount shall be used solely to pay the principal and interest and any premiums for redemption of the Abatement Portion of the Bonds.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Construction Account or Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Covenants Relating to the Improvement Portion of the Bonds.

(a) Assessments. It is hereby determined that no less than twenty percent of the cost to the City of each Improvement financed hereunder within the meaning of Minnesota Statutes, Section 475.58, Subdivision 1(3), shall be paid by special assessments to be levied against every assessable lot, piece and parcel of land benefited by any of the Improvements. The City hereby covenants and agrees that it will let all construction contracts not heretofore let within one year after ordering each Improvement financed hereunder unless the resolution ordering the Improvement specifies a different time limit for the letting of construction contracts. The City hereby further covenants and agrees that it will do and perform as soon as they may be done all acts and things necessary for the final and valid levy of such special assessments, and in the event that any such assessment be at any time held invalid with respect to any lot, piece or parcel of land due to any error, defect, or irregularity in any action or proceedings taken or to be taken

by the City or the City Council or any of the City officers or employees, either in the making of the assessments or in the performance of any condition precedent thereto, the City and the City Council will forthwith do all further acts and take all further proceedings as may be required by law to make the assessments a valid and binding lien upon such property. It is hereby determined that the assessments shall be payable in equal, consecutive, annual installments, with general taxes for the years shown below and with interest on the declining balance of all such assessments at a rate per annum not greater than the maximum permitted by law and not less than the rates per annum shown opposite their collection years specified below:

<u>Improvement Designations</u>	<u>Levy Years</u>	<u>Collection Years</u>	<u>Rate</u>	<u>Amount</u>
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See Attached Schedule

At the time the assessments are in fact levied the City Council shall, based on the then-current estimated collections of the assessments, make any adjustments in any ad valorem taxes required to be levied in order to assure that the City continues to be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

(b) Tax Levy; Coverage Test. To provide moneys for payment of the principal and interest on the Improvement Portion of the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
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See Attached Schedule

The tax levies are such that if collected in full they, together with estimated collections of special assessments and any other revenues herein pledged for the payment of the Improvement Portion of the Bonds, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Improvement Portion of the Bonds. The tax levies shall be irrevocable so long as any of the Improvement Portion of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

17. Covenants Relating to the Abatement Portion of the Bonds.

(a) Tax Abatements; Use of Tax Abatements. The Council has adopted the Abatement Resolution and has thereby approved the Tax Abatements, including the pledge thereof to the payment of principal of the Abatement Portion of the Bonds. As provided in the Abatement Resolution, the estimated total amount of Tax Abatements, if received as estimated for the full maximum term thereof, is \$300,000, and therefore the principal amount of the Abatement Portion of the Bonds does not exceed the maximum projected amount of the Tax Abatements. The Council hereby confirms the Abatement Resolution, which is hereby incorporated as though set forth herein.

(b) Tax Levy; Coverage Test. To provide moneys for payment of interest on the Abatement Portion of the Bonds, there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Years of Tax Levy</u>	<u>Years of Tax Collection</u>	<u>Amount</u>
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See Attached Schedule

The tax levies are such that if collected in full they, together with estimated collections of Tax Abatements, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Abatement Portion of the Bonds. The tax levies shall be irrevocable so long as any of the Abatement Portion of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

18. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

19. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

20. Compliance With Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States

Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bonds, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

(a) Not later than 60 days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Project"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Project; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Project, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed 20% of the "issue price" of the Bonds, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of \$100,000 or 5% of the proceeds of the Bonds.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bonds or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Bonds and in all events within the period ending on the date which is the later of three years after payment of the Reimbursement Expenditure or one year after the date on which the Project to which the Reimbursement Expenditure relates is first placed in service.

(d) Each such reimbursement allocation will be made in a writing that evidences the City's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within 30 days after the Bonds are issued, shall be treated as made on the day the Bonds are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its Bond Counsel for the Bonds stating in effect that such action will not impair the tax-exempt status of the Bonds.

21. Certificate of Registration. A certified copy of this resolution is hereby directed to be filed in the office of the County Auditor of Anoka County, together with such other information as the County Auditor shall require, and to obtain the County Auditor's Certificate that the Bonds have been entered in the Bond Register and the tax levies required by law have been made.

22. Continuing Disclosure. The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described:

(a) to provide or cause to be provided to the Municipal Securities Rulemaking Board, by filing at www.emma.msrb.org, (i) at least annually, its audited financial statements for the most recent fiscal year, and (ii) notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of such event, in accordance with the Undertaking; and

(b) its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and Administrator of the City, or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

23. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

24. Negative Covenant as to Use of Bond Proceeds and Project. The City hereby covenants not to use the proceeds of the Bonds or to use the Project, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Project, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

25. Tax-Exempt Status of the Bonds; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (a) requirements relating to temporary periods for investments, (b) limitations on amounts invested at a yield greater than the yield on the Bonds, and (c) the rebate of excess investment earnings to the United States, if the Bonds (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small issuer exception amount of \$5,000,000.

For purposes of qualifying for the exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City hereby finds, determines and declares that:

- (a) the Bonds are issued by a governmental unit with general taxing powers;
- (b) no Bond is a private activity bond;
- (c) ninety-five percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); and
- (d) the aggregate face amount of all tax exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities thereof, and all entities treated as one issuer with the City) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

26. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City hereby makes the following factual statements and representations:

- (a) the Bonds are issued after August 7, 1986;
- (b) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- (c) the City hereby designates the Bonds as "qualified tax exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2017 will not exceed \$10,000,000;
- (e) not more than \$10,000,000 of obligations issued by the City during this calendar year 2017 have been designated for purposes of Section 265(b)(3) of the Code; and
- (f) the aggregate face amount of the Bonds does not exceed \$10,000,000.

The City shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

27. Official Statement. The Official Statement relating to the Bonds prepared and distributed by Ehlers is hereby approved and the officers of the City are authorized in connection with the delivery of the Bonds to sign such certificates as may be necessary with respect to the completeness and accuracy of the Official Statement.

28. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to KleinBank, Chaska, Minnesota, on the closing date for further distribution as directed by Ehlers.

29. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

30. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member Beaton and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: _____;

and the following voted against the same: _____.

Whereupon the resolution was declared duly passed and adopted.