

REGULAR COUNCIL MEETING  
CITY OF CROSSLAKE  
MONDAY, AUGUST 13, 2007  
7:00 P.M. – CITY HALL

The Council for the City of Crosslake met in the Council Chambers of City Hall on Monday, August 13, 2007. The following Council Members were present: Mayor Jay Andolshek, Steve Roe, Rusty Taubert, Irene Schultz and Dean Swanson. Also present were City Administrator Tom Swenson, Community Development Director Ken Anderson, Clerk/Treasurer Darlene Roach, Public Works Director Ted Strand, Park and Recreation Director Jon Henke, Police Chief Robert Hartman, General Manager Paul Hoge, City Engineer Dave Reese, City Attorney Paul Sandelin, Fire Department Volunteer Chris Leonard, Sid Inman of Ehlers & Associates, Lake Country Echo Reporter Betty Ryan, Northland Press Reporter Karyn Venhuizen, Elissa Rogers of BLADC and Chuck Lane of KC Companies. There were approximately eight people in the audience.

**A. CALL TO ORDER** – Mayor Andolshek called the Regular Council Meeting to order at 7:00 P.M. A motion to accept the additions to the agenda was requested. MOTION 08R-01-07 WAS MADE BY IRENE SCHULTZ AND SECONDED BY DEAN SWANSON TO ACCEPT THE ADDITIONS TO THE AGENDA AS PRESENTED. MOTION CARRIED WITH ALL AYES.

**B. CRITICAL ISSUES –**

1. MOTION 08PH-01-07 WAS MADE BY STEVE ROE AND SECONDED BY DEAN SWANSON TO OPEN THE PUBLIC HEARING TO RECEIVE PUBLIC COMMENTS ON AN APPLICATION FOR TAX INCREMENT FINANCING FOR A PROPOSED ASSISTED LIVING FACILITY. MOTION CARRIED WITH ALL AYES.

Elissa Rogers of BLADC addressed the Council and stated that BLADC has been working with Chuck Lane to finance an assisted living facility in Crosslake. Sid Inman, Senior Vice President of Ehlers & Associates reviewed with the Council the Tax Increment Financing District Overview. The proposed action is the establishment of Tax Increment Financing District 1-9 and the adoption of a Tax Increment Financing Plan. The type of TIF District is a housing district. The District currently consists of one parcel of land, which is in the process of being subdivided into lots. Approval of the final plat will be completed prior to certification of the TIF District. The District is being created to facilitate the construction of a 28-unit assisted living facility. The duration of the District will be 25 years from the date of receipt of the first increment (26 years of increment). The date of receipt of the first tax increment is expected to be 2009. It is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2034, or when the TIF Plan is satisfied. The estimated annual tax increment is \$24,837. The TIF Plan contains a budget that authorizes the maximum amount that may be expended.

The project is proposed to be financed through a pay-as-you-go note. Administrative fees are up to 10% of the annual increment. After four years from the date of certification of the District, demolition, rehabilitation, renovation or other site preparation must have been commenced on each parcel in the District. Mr. Inman noted that the Council would not be approving any dollars to be spent at this time, only adopting the Plan. Mayor Andolshek asked Sid Inman to explain what TIF is and why it is good for the developer. Sid Inman explained that Tax Increment Financing is a tool to use future gains in taxes to finance the current improvements that will create those gains. TIF allows cities to create special districts and to make public improvements within those districts that will generate private development. The tax capacity of the property within the district is then determined according to the last tax roll and represents the original tax capacity of the tax increment district. Each of the taxing jurisdictions (municipality, county, and school district) continues to receive its share of the taxes collected on the tax capacity that represents the original tax capacity, just as though the district had never been created and there had been no change in the tax capacity of the parcel. The increased tax revenues are the tax increment. TIF is designed to channel funding toward improvements in underdeveloped areas where development would not otherwise occur. TIF creates funding for projects that may otherwise be unaffordable. At the end of the established TIF period, or payment of the maximum TIF allowed, taxing jurisdictions enjoy the benefit of increased property values.

Neil McEwen of 13552 East Shore Road appeared before the Council and stated that he is opposed to TIF in that area of the City and that the taxpayers should not have to pay for this TIF project. Mr. McEwen explained that he is part of a group that is opposed to the entire concept of an assisted living facility at that location. Mr. McEwen added that if the project is not feasible, the developer should not continue and suggested that this area may have too many of this type of facilities. Mr. McEwen argued that the developer has asked the City Council for a lower sewer connection charge and urged the Council to not get involved. Sid Inman stated that the taxpayers do not subsidize the TIF project and that there is no burden to the taxpayers. Neil McEwen disagreed.

Dave Fischer of 36412 Rushmoor Boulevard appeared before the Council and stated that he is in strong support of TIF and the proposed assisted living facility project. Mr. Fischer added that TIF is used for other projects and used widely throughout the United States. Mr. Fischer noted that the opposition is due to the location of the facility, not from TIF. Irene Schultz stated that other communities have used TIF for assisted living facilities.

Developer Chuck Lane of KC Properties appeared before the Council and stated he has been working with the City of Crosslake since 2005 on this project and has developed several assisted living facilities throughout Minnesota. Mr. Lane stated that he would appreciate the support of the City Council on this project. There being no further public comment, MOTION 08PH-02-07 WAS MADE BY

IRENE SCHULTZ AND SECONDED BY STEVE ROE TO CLOSE THE PUBLIC HEARING. MOTION CARRIED WITH ALL AYES.

2. City Attorney Paul Sandelin stated that the City Council needs to approve the Tax Increment Financing Plan at this time and noted that the Developer's Agreement would come back to the Council for approval at a later time. Tom Swenson noted that Briggs and Morgan drafted the Plan. MOTION 08R-02-07 WAS MADE BY IRENE SCHULTZ AND SECONDED BY DEAN SWANSON TO APPROVE RESOLUTION 07-09 ADOPTING A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1 AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 1-9 THEREIN AND ADOPTING A TAX INCREMENT FINANCING PLAN THEREFOR. MOTION CARRIED WITH ALL AYES. Sid Inman explained that the next steps would be for the Council to Certify the District and to approve the Development Agreement at a subsequent meeting. Elissa Rogers stated that Briggs and Morgan may have those documents available by September 5<sup>th</sup>.
3. Tom Swenson read into the record a memo dated August 13, 2007 from Darlene Roach requesting approval to reimburse \$129.61 in tax increment revenue from Daggett Brook Villas from the first half tax payment of \$12,277.64 received from the County. The Developers Agreement allowed reimbursement of tax increments up to \$242,900 (or 17 years not to exceed 25 years). This amount will be satisfied upon payment of the \$142.57 less \$12.96 for administrative costs. The first tax increment payment was made to Brian Bittner on July 19, 1995 and each year thereafter semi-annual payments have been reimbursed up to \$242,770.39 through February 13, 2007. A disbursement of \$129.61 will satisfy the amount owed under TIF. The balance of the TIF Funds received from the district will be paid to the County and, upon decertification of the TIF District, redistributed to the County, School District and City as regular tax revenue. MOTION 08R-03-07 WAS MADE BY DEAN SWANSON AND SECONDED BY STEVE ROE TO APPROVE THE REIMBURSEMENT OF 90% OF THE INCREMENTAL TAX REVENUE RECEIVED FROM DAGGETT BROOK VILLAS (BITTNER CONDOMINIUMS) FOR THE FIRST HALF TAX PAYMENT IN 2007 FROM THE COUNTY IN THE AMOUNT OF \$12,277.64. Steve Roe stated that it was encouraging to the Council that this Tax Increment Financing was paid in half the expected time. MOTION CARRIED WITH ALL AYES.
4. MOTION 08R-04-07 WAS MADE BY DEAN SWANSON AND SECONDED BY IRENE SCHULTZ TO ADOPT RESOLUTION 07-10 APPROVING THE DECERTIFICATION OF TAX INCREMENT FINANCING DISTRICT NO. 1-2 (DAGGETT BROOK VILLAS) OF THE CITY OF CROSSLAKE. MOTION CARRIED WITH ALL AYES.

**C. CONSENT CALENDAR** – MOTION 08R-05-07 WAS MADE BY STEVE ROE AND SECONDED BY RUSTY TAUBERT TO APPROVE THE FOLLOWING ITEMS LISTED ON THE CONSENT CALENDAR: (1.) MINUTES OF PUBLIC HEARING OF JULY 9, 2007; (2.) MINUTES OF REGULAR COUNCIL MEETING OF JULY 9, 2007; (3.) MINUTES OF SPECIAL COUNCIL MEETING

OF JULY 12, 2007; (4.) CROSSLAKE COMMUNICATIONS BALANCE SHEET AND INCOME STATEMENT/DETAIL OF RESERVE BALANCES DATED JUNE 30, 2007; (5.) CITY MONTH END REVENUE REPORT DATED JUNE 30, 2007; (6.) CITY MONTH END EXPENDITURE REPORT DATED JUNE 30, 2007; (7.) LAKES STATE BANK PLEDGE REPORT DATED JULY 2007; (8.) NORTHERN NATIONAL BANK PLEDGE REPORT DATED JULY 2007; (9.) LAKEWOOD BANK PLEDGE REPORT DATED JULY 2007; AND (10.) FIRST FEDERAL SAVINGS BANK PLEDGE REPORT DATED JULY 2007. MOTION CARRIED WITH ALL AYES.

**D. PUBLIC FORUM** – None.

**E. MAYOR'S REPORT** – None.

**F. CITY ADMINISTRATOR REPORT** –

1. Cheryl Hills of Region Five Development Commission appeared before the Council and handed out information regarding solving critical regional issues, what Region Five can do for the City, regional legislative forum, financial health check workshop and a newsletter. Ms. Hills informed the Council that some of the projects that Region Five is working on include the Highway 371 Expansion, developing safe routes for schools, Regional Township Newsletter, Individual Sewage Treatment System loans, regional planning, and Local Foods Vista. Ms. Hills reminded the Council that Region Five is still providing services to area cities and looks forward to working with Crosslake.
2. City Bills for Approval – MOTION 08R-06-07 WAS MADE BY JAY ANDOLSHEK AND SECONDED BY IRENE SCHULTZ TO APPROVE THE BILLS FOR PAYMENT FOR AUGUST AS SUBMITTED IN THE AMOUNTS OF \$90,990.82 AND \$16,269.40. MOTION CARRIED WITH ALL AYES.
3. Tom Swenson read a memo dated August 8, 2007 regarding the need to set meeting dates to discuss the 2008 budget. The deadline for certifying the preliminary budget and tax levy is September 14<sup>th</sup>. MOTION 08R-07-07 WAS MADE BY JAY ANDOLSHEK AND SECONDED BY IRENE SCHULTZ TO SET AUGUST 22<sup>ND</sup>, AUGUST 29<sup>TH</sup> AND SEPTEMBER 5<sup>TH</sup> AT 9:00 A.M. FOR BUDGET MEETINGS. MOTION CARRIED WITH ALL AYES.
4. Included in the packet for Council information was a letter from the Minnesota Department of Administration State Demographic Center regarding annual population and household estimates. As of April 1, 2006, the population estimate of Crosslake is 2,052 and the household estimate is 1,001.
5. Tom Swenson read a memo dated August 13, 2007 regarding the need to set the meeting date for the Truth in Taxation Hearing. The Minnesota Department of Revenue reserved the first and second Mondays of December for the use of cities. The Regular Council Meeting in December will be at 7:00 P.M. on December 10<sup>th</sup>, at which time the levy and budget could be adopted. MOTION 08R-08-07 WAS MADE BY DEAN SWANSON AND SECONDED BY IRENE SCHULTZ TO HOLD THE TRUTH IN TAXATION HEARING ON MONDAY, DECEMBER 3, 2007 AT 6:00 P.M. IN CITY HALL AND IF NECESSARY,

THE CONTINUATION HEARING ON MONDAY, DECEMBER 10, 2007 AT 6:30 P.M. IN CITY HALL. MOTION CARRIED WITH ALL AYES.

**G. COMMISSION/DEPARTMENT REPORTS –**

1. PUBLIC SAFETY –

- a. Chief Hartman reported 307 calls in Crosslake in July.
- b. A total of 42 calls were reported in Mission Township in July.
- c. Included in the packet for Council information were two “thank you” letters received by the Crosslake Police Department. One letter was addressed to the Crosslake Police and Fire Departments from Bob and Kathy Mellas thanking all the people who attended to him when he had a stroke on March 19<sup>th</sup>. The other letter was addressed to the Crosslake Police Department from JoAnn Nielsen thanking Officer Eric Swanson for being caring and friendly to her granddaughter on July 15<sup>th</sup> when he was out patrolling.
- d. Bob Hartman read a memo dated August 6, 2007 from Darlene Roach regarding the acceptance of donations. American Legion Post 500 approved donations to the City of Crosslake from gambling proceeds in the amount of \$5,600, to be used by the Crosslake Police and Fire Department. MOTION 08R-09-07 WAS MADE BY DEAN SWANSON AND SECONDED BY IRENE SCHULTZ TO ACCEPT THE DONATIONS OF \$3,600 TO THE CROSSLAKE POLICE DEPARTMENT FOR THE PURCHASE OF POLICE CAR WEAPONS (RIFLES) AND \$2,000 TO THE CROSSLAKE FIRE DEPARTMENT FOR THE PURCHASE OF MEDICAL EQUIPMENT FOR THE MEDICAL RESCUE VEHICLE. MOTION CARRIED WITH ALL AYES.
- e. Chief Hartman presented a resolution to the Council authorizing the execution of a grant agreement with the Minnesota Department of Public Safety, Office of Traffic Safety for the project entitled SAFE & SOBER COMMUNITIES and explained that participation is allowed if the agreement is renewed by the City Council each year. MOTION 08R-10-07 WAS MADE BY IRENE SCHULTZ AND SECONDED BY JAY ANDOLSHEK TO APPROVE RESOLUTION 07-11 AUTHORIZING EXECUTION OF AGREEMENT BETWEEN THE CROSSLAKE POLICE DEPARTMENT AND THE MINNESOTA DEPARTMENT OF PUBLIC SAFETY FOR THE PROJECT ENTITLED SAFE & SOBER COMMUNITIES DURING THE PERIOD FROM OCTOBER 1, 2007 THROUGH SEPTEMBER 30, 2008. MOTION CARRIED WITH ALL AYES.
- f. Crosslake Firefighter Chris Leonard reported that the Fire Department responded to 24 calls in Crosslake in July. Of those, 27 were medical calls and 8 were fire calls. Mr. Leonard thanked the American Legion for the generous donation to the Fire Department and thanked the community for their support at the Classic Car Show and Pig Roast Fundraiser.
- g. A letter dated July 11, 2007 from Insurance Services Office, Inc. regarding a meeting to discuss the insurance classification for Crosslake was included in the packet for Council information. Chris Leonard stated that Keith Anderson

could take any questions that the Council had regarding this letter at the next Regular Meeting.

- h. The North Ambulance Run Report for July 2007 was included in the packet for Council information.

2. CROSSLAKE COMMUNICATIONS –

- a. The Highlights Report for July was included for Council information. Paul Hoge reminded everyone to attend the Annual Customer Appreciation on Wednesday, August 15<sup>th</sup> from 3-6 P.M. Mr. Hoge reported that Crosslake Communications has received over 300 completed customer surveys and that the customer service staff has been calling customers who had noted problems or dissatisfaction with their service. Most surveys complained about the bad reception on Channel 5. Mr. Hoge asked that all dissatisfied customers call KSAX at 651-646-5555 to report the bad reception in hopes that KSAX will expedite a solution if they bombarded with calls. Mr. Hoge also reported that Crosslake Communications is working to remove a \$3.95 fee to Anvoy that is still appearing on some bills. Dean Swanson asked Crosslake Communications cable users to call the phone company when any channel is not working so they can fix the problem.
- b. Crosslake Communication's Bills for Approval – MOTION 08R-11-07 WAS MADE BY RUSTY TAUBERT AND SECONDED BY IRENE SCHULTZ TO APPROVE THE JUNE 2007 BILLS FOR PAYMENT AS SUBMITTED IN THE AMOUNT OF \$296,452.99. MOTION CARRIED WITH ALL AYES.
- c. Crosslake Communications Regular Meeting Minutes of July 31, 2007 were included for Council information.
- d. The Customer Count Report was included in the packet for information only.

3. PLANNING AND ZONING –

- a. Planning and Zoning Commission/Board of Adjustment Regular Meeting Minutes of May 23, 2007 were included in the packet for Council information.
- b. Planning and Zoning Commission/Board of Adjustment Special Meeting Minutes of July 6, 2007 were included in the packet for Council information.
- c. The Building Permit Summary for July 2007 was included in the packet for Council information. Ken Anderson noted that 4 permits were issued for new homes, with a total of 50 permits for the month.
- d. A staff report dated August 13, 2007 from Ken Anderson regarding the appeal from Abra True Value was included in the packet for Council review. Tom and Colleen Ledin have appealed the Planning and Zoning Commission's denial of Appeal 2007-002. The Community Development Director had previously directed that the property owner remove the existing free-standing sign used to advertise the True Value Hardware business. The basis for directing that the sign be removed was first, no zoning permit had been issued for installation of the sign, secondly, free-standing signs in the City are not allowed to be internally illuminated, and third, only one free-standing sign is allowed per lot. The Board of Adjustment heard and denied the appeal of the

Ledin's on May 23, 2007. The Ledin's have engaged an attorney named Patti Aanes from Erickson, Pearson and Aanes Law Offices in Brainerd. Ken Anderson met with Patti Aanes on August 7<sup>th</sup> to discuss the details and issues surrounding the appeal as well as other matters related to noncompliance with minimum performance standards on the site. One major point of contention is that the Ledin's believe they should be allowed to have tow lots, Lot 2 and Lot 3, M and D Addition. One of the conditions of approval of the Zoning Permit No. 2004-304 was that the lots be consolidated. To date, the lots have not been consolidated by Crow Wing County. With two lots, they may contend that they should be allowed to maintain two free-standing signs, one for Abra Landscaping and the other for True Value Hardware. The Sign Committee is nearing completion of its review of the Sign Ordinance and is preparing to submit recommended revisions to be considered by Planning and Zoning Commission. Ken Anderson asked the Council to approve the appeal, deny the appeal or table action on the appeal until the Sign Committee has made a determination on free-standing signs and the other noncompliance issues are addressed.

Patti Aanes appeared before the Council and stated that she and the Ledin's are willing to work with the City to resolve these matters and asked the Council to table action until the Sign Committee has made a recommendation to the Planning and Zoning Commission. Ms. Aanes argued that the Planning and Zoning Commission denied the Appeal 2007-003 because they believed there was a Conditional Use Permit issued for the businesses, however, there never was. Ken Anderson stated that the building permit was issued in error because no certificate of survey was required and the building is situated on both lots. Ms. Aanes stated that the paper trail is confusing and that the Ledin's were never issued a Stop Work Order. Irene Schultz stated that the Council should not make a decision until the Sign Committee gives a recommendation to the Planning and Zoning Committee. City Attorney Paul Sandelin stated that the sign in question is a violation of the City Ordinance, whether or not a Condition Use Permit was issued. MOTION 08R-12-07 WAS MADE BY STEVE ROE AND SECONDED BY RUSTY TAUBERT TO TABLE ACTION ON APPEAL 2007-003 FOR 60 DAYS TO ALLOW THE APPELLANTS AND/OR THEIR LEGAL COUNSEL AND CITY STAFF MORE TIME TO: 1) COMPREHENSIVELY ADDRESS THE OUTSTANDING NONCOMPLIANCE ISSUES AND 2) FOR THE CITY COUNCIL TO RECEIVE THE RECOMMENDATIONS OF THE PLANNING AND ZONING COMMISSION AND SIGN COMMITTEE REGARDING PROPOSED REVISIONS TO THE SIGN ORDINANCE. MOTION CARRIED WITH ALL AYES.

- e. A staff report dated August 13, 2007 from Ken Anderson regarding a petition to vacate a road easement extending for Milinda Shores Road was included in the packet for Council review. A petition from John and Mary Dierbeck was received by the City Clerk requesting the City of Crosslake consider the vacation of a portion of a road easement extending from Milinda Shores Road.

The public hearing was held on July 9, 2007 at which time the City Council passed a motion to continue the public hearing to September 10<sup>th</sup> at 6:00 P.M. The City Council also passed a motion to close the public hearing. Since the public hearing, the Dierbeck's considered the option to extend the 60-day time limit. The Dierbeck's signed and forwarded a letter dated July 15, 2007 agreeing to the time "extension for up to and not exceeding 14 months from the date of approval. This extension should allow opportunity for the City Council to consider the report and recommendations from the City Engineer regarding the Transportation Plan recently authorized by the City Council. MOTION 08R-13-07 WAS MADE BY RUSTY TAUBERT AND SECONDED BY IRENE SCHULTZ TO ACCEPT THE EXTENSION TO THE 60-DAY TIME LIMIT SUBMITTED BY JOHN AND MARY DIERBECK, TO RESCIND MOTION PH7-02-07 TO CLOSE THE PUBLIC HEARING AND TO RECESS THE PUBLIC HEARING HELD JULY 9, 2007 TO A DATE IN 2008 AFTER THE TRANSPORTATION PLAN IS COMPLETED, BUT NO LATER THAN THE REGULAR CITY COUNCIL MEETING OF SEPTEMBER 8, 2008. MOTION CARRIED WITH ALL AYES.

- f. The Development Agreement for Public/Private Improvements in Crosswoods Development/Ostlund Avenue was include in the packet for Council review. Ken Anderson stated that the outstanding issues have been resolved. Jay Andolshek asked if the developer was going to be required to complete the trail system at this time since it would not connect with anything. City Attorney Paul Sandelin stated that the deadline for completion of all work is November 1<sup>st</sup> and that the trails will become City maintained. Tom Swenson reported that David Barnes would grant an easement for the extension of the trail, but would not be willing to pay the cost. Paul Sandelin stated that he would add the word "trails" to Page 4, Section IV and would add the trails to the exhibits. Attorney Gerry Brine representing the developer stated that he has no questions on the basic agreement and agreed that trails should be added to Section IV. Mr. Brine stated that he was concerned about the maintenance of the pond, which is now to become a fountain, on Swann Drive because the City was originally supposed to maintain the pond. Now that it will no longer be a pond, the City may not be able to properly maintain it. Mr. Brine asked that the maintenance issue be handled as a separate issue from the Development Agreement and that the City only maintain the trails for now. MOTION 08R-14-07 WAS MADE BY DEAN SWANSON AND SECONDED BY IRENE SCHULTZ TO APPROVE THE DEVELOPMENT AGREEMENT FOR OSTLUND AVENUE WITH THE ADDITION OF THE WORD "TRAILS" ON PAGE 4, SECTION IV AND THE ADDITION OF THE APPROVAL DATE. MOTION CARRIED WITH ALL AYES.

4. PUBLIC WORKS/CEMETERY/SEWER –

- a. Public Works Commission Meeting Minutes of July 2, 2007 were included in the packet for Council information.

- b. Included in the packet for Council information was a letter dated July 24, 2007 from WSN to Robert Hall of the Crow Wing County Highway Department regarding the Dream Island Bridge in Crosslake. On behalf of the City of Crosslake, WSN prepared a draft Application for Bridge Funding and draft Resolution to add the Dream Island Bridge to the priority list for funding. The City hopes to be included in the funding bill for 2008 with the County's assistance. The existing timber bridge has been identified with deficiencies in the annual bridge inspection report completed by Crow Wing County. The City proposes to replace the bridge with a box culvert structure.
- c. A letter dated July 25, 2007 from Duane and Karen Friederich regarding the Dream Island Bridge was included in the packet for Council information. Karen Friederich of 37698 Moen Beach Trail addressed that Council and stated that the City made changes to the Dream Island Bridge in the last 30 years that have negatively impacted boat traffic. Ms. Friederich stated that they used to be able to take a pontoon boat with the canopy closed under the bridge to Little Pine Lake. Since then the bridge has been lowered and rip rap has made it narrower. It has been possible for the residents to go around the island, but weeds have now begun to overtake the lake, making that route very difficult. Ms. Friederich stated that a culvert will not help their problem. Ted Strand stated that the City is considering a box culvert which is much larger than a normal culvert. Ms. Friederich asked what the timeline was for replacing the bridge. Tom Swenson stated that the replacement will depend on whether the City gets funding or not. Ms. Friederich suggested that the City form a focus group or hold a public hearing to get input from the residents in that area on how the bridge should be replaced. Steve Roe stated that the County just used a large culvert for the bridge on County Road 1 and that people could look at that for an example of what it may look like.
- d. A memo dated August 8, 2007 from the Public Works Commission regarding various recommendations was included in the packet for Council review. At its meeting of August 6, 2007 the Public Works Commission reviewed the need for street repairs at the intersection of County Road 36 and Bonnie Lakes Road. The repairs would consist of reclaiming approximately 200 feet of bituminous beginning at the intersection of County Road 36, adding Class 5 and repaving. The Commission passed a motion to recommend that the City Council proceed with these improvements. Dean Swanson suggested redesigning the intersection at the same time so that it comes into County Road 36 at a 90-degree angle. MOTION 08R-15-07 WAS MADE BY DEAN SWANSON AND SECONDED BY STEVE ROE TO DIRECT THE PUBLIC WORKS COMMISSION TO CONSIDER REDESIGNING THE INTERSECTION AT COUNTY ROAD 36 AND BONNIE LAKES ROAD TO A 90 DEGREE ANGLE. MOTION CARRIED WITH ALL AYES.

At its meeting of August 6, 2007, the Public Works Commission passed a motion to recommend that the City Council hold an informational meeting relating to the Transportation Plan on Saturday, September 8<sup>th</sup> to seek public input and generate ideas on what residents would like to see as far as roads

and trails within the City. Dave Reese stated that WSN would help facilitate the meeting and that it would be informal. MOTION 08R-16-07 WAS MADE BY DEAN SWANSON AND SECONDED BY STEVE ROE TO HOLD AN INFORMATIONAL MEETING RELATING TO THE TRANSPORTATION PLAN ON SATURDAY, SEPTEMBER 8, 2007 FROM 9:00 A.M. TO 12:00 P.M. AT THE COMMUNITY CENTER TO SEEK PUBLIC INPUT FROM RESIDENTS REGARDING ROADS AND TRAILS. MOTION CARRIED WITH ALL AYES.

At its meeting of August 6, 2007, the Public Works Commission discussed drainage issues on Lake Street and work done on the Pritchett property which has intensified the drainage problems. WSN submitted an estimate to survey the area near Lake Street, Lake Avenue and Cross Avenue at a cost not to exceed \$1,500. Tom Swenson stated that elevations are needed to see where the water is coming from. MOTION 08R-17-07 WAS MADE BY STEVE ROE AND SECONDED BY RUSTY TAUBERT TO HAVE WSN SURVEY THE AREA NEAR LAKE STREET, LAKE AVENUE AND CROSS AVENUE AT A COST NOT TO EXCEED \$1,500 TO OBTAIN ELEVATIONS AS A FIRST STEP IN THE DESIGN OF THE DRAINAGE IMPROVEMENTS NECESSARY TO CORRECT THE CURRENT DRAINAGE AND EROSION PROBLEMS. MOTION CARRIED WITH ALL AYES.

- d.2.A letter dated August 13, 2007 from WSN regarding Pay Request No. 8 for 2006 Road Improvements was included in the packet for Council review. Dave Reese stated that 2% of the contract is still being retained until the punch list items are completed. This pay request includes the work done on the Ox Lake Landing retaining wall. MOTION 08R-18-07 WAS MADE BY IRENE SCHULTZ AND SECONDED BY RUSTY TAUBERT TO APPROVE PAY REQUEST NO. 8 TO ANDERSON BROTHERS IN THE AMOUNT OF \$38,651.17 FOR THE 2006 ROAD IMPROVEMENTS. MOTION CARRIED WITH ALL AYES.
- e. Tom Swenson read a memo dated August 8, 2007 from the Public Works Commission regarding a recommendation for a Sewer Ordinance Amendment relating to the Sewer Connection Charge and User Fees for assisted living facilities. The Commission reviewed a letter from WSN regarding a survey of water use for facilities similar to the 28 unit Assisted Living Facility being proposed for Crosslake. The Commission passed a motion recommending that the City Council amend the current Sewer Ordinance to state that three units or fraction thereof be equal to one equivalent residential unit, one commercial connection charge be charged per equivalent residential unit and one monthly user fee be charged per equivalent residential unit in an assisted living facility. The current Ordinance would charge \$118,500 for the connection charges and the Proposed Ordinance Amendment would charge \$71,500 for the connection charges. The facility would still be metered with one user fee charged for each 8,000 gallons used with a minimum of 11 monthly charges. If the metered usage is above 88,000 gallons, additional

charges would be added. The current Ordinance would charge \$870 for minimum user fees and the Proposed Ordinance Amendment would charge \$330 for minimum user fees. Steve Roe asked if the proposed amendment will cover the costs of the sewer connection to the assisted living facility. Tom Swenson replied that it would. Irene Schultz asked if the proposed amendment would cause problems with other businesses. Tom Swenson replied that there should be no problems because this is the only assisted living facility on the Municipal Sewer System. MOTION 08R-19-07 WAS MADE BY DEAN SWANSON AND SECONDED BY IRENE SCHULTZ TO DIRECT THE CITY ATTORNEY TO DRAFT AN AMENDMENT TO THE SEWER ORDINANCE STATING THAT THREE UNITS OR FRACTION THEREOF, IN AN ASSISTED LIVING FACILITY SHALL EQUAL ONE EQUIVALENT RESIDENTIAL UNIT AND BE CHARGED ONE COMMERCIAL CONNECTION CHARGE AND ONE MONTHLY USER FEE. Tom Swenson suggested defining a nursing home the same as an assisted living facility. Steve Roe argued that such a definition could cause confusion with other types of senior housing. MOTION CARRIED WITH ALL AYES.

- f. A letter dated August 8, 2007 from WSN regarding Pay Request No. 3 for the USACE campground connection was included in the packet for Council review. Dave Reese stated that the final payment is for the remaining \$4,162.30 of electrical work that has been completed plus the \$5,900.52 retainage release for a total of \$10,062.82. The final construction cost is \$122,172.71 which is the total of the three payment applications. MOTION 08R-20-07 WAS MADE BY DEAN SWANSON AND SECONDED BY STEVE ROE TO APPROVE FINAL PAY REQUEST NO. 3 TO KRAEMER TRUCKING & EXCAVATING IN THE AMOUNT OF \$10,062.82 FOR COMPLETION OF THE USACE CAMPGROUND CONNECTION PROJECT. MOTION CARRIED WITH ALL AYES.
- g. A letter dated August 6, 2006 from the Corps of Engineers regarding late fee charges was included in the packet for Council review. The Corps requested a late charge waiver. The City has a 15 day payment schedule that the Corps contracting process cannot fulfill within the 15 day federal contract payment process. The Corps contract payments are paid 25-28 days after receiving a bill at the Crosslake office. Without extra time, the Corps would incur a monthly late fee of \$120 each month. MOTION 08R-21-07 WAS MADE BY STEVE ROE AND SECONDED BY DEAN SWANSON TO CHARGE A LATE FEE TO THE CORPS OF ENGINEERS CAMPGROUND IF PAYMENT IS NOT RECEIVED 40 DAYS AFTER THE BILL IS PRINTED. MOTION CARRIED WITH ALL AYES.
- h. A letter dated July 20, 2007 from Allied Adjusters regarding the June 12, 2006 incident on East Shore Boulevard that occurred when Schrupp Excavating was digging to connect a sewer service line from the Neal Nordling residence to the City's new sewer main was included in the packet for Council review. Tom Swenson gave a brief history of the situation. The cost to repair the damage has been sent to Schrupp's insurance company,

which has not responded with payment. The City asked the League of MN Cities Insurance Trust to attempt to recover the damages from Schrupp's insurance company. Allied Adjusters reported that the policy with LMCIT states that property not covered includes roadways or other paved surfaces, cost of excavations, grading or filling, land and subsoil and also underground or buried pipes, flues or drains. For that reason, the LMCIT is unable to provide first party coverage to the City and then seek reimbursement from the contractor or sub-contractor who caused the damages. The cost to the City to repair the damages is over \$19,000. Steve Roe stated that the City should require all contractors to provide certificates of insurance to the City Clerk when doing any type of work in the City to cover phone and sewer utilities. Mr. Roe asked why Schrupp Excavating did not repair the damage. Tom Swenson replied that the City Council authorized the hiring of Anderson Brothers to repair the area back to the main, put in a new service to the property line and compact and fix the blacktop because they had the capability to do it immediately. MOTION 08R-22-07 WAS MADE BY STEVE ROE AND SECONDED BY DEAN SWANSON TO DIRECT THE CITY ATTORNEY TO DRAFT LETTERS TO BOTH CONTRACTORS INVOLVED TO TRY AND GET SOME RESPONSE FROM THE CONTRACTOR'S LIABILITY CARRIERS. MOTION CARRIED WITH ALL AYES.

- i. The July 2007 Wastewater Treatment Discharge Monitoring Report was included in the packet for Council information. Ted Strand reported that the flows from the campground are helping, however, the strength is higher and will be tested.

5. PARK AND RECREATION/LIBRARY –

- a. Park and Recreation Director Jon Henke reported that the Community Center is offering the seventh aerobic session of 2007. The classes run Monday, Tuesday and Thursday for four weeks. AAA is sponsoring a senior driving refresher course on Thursday, August 23<sup>rd</sup> from 1:00 P.M. to 5:00 P.M. There will also be an 8-hour class for first time participants September 26<sup>th</sup> and 27<sup>th</sup> from 1:00 P.M. to 5:00 P.M. each day. One Stroke Painting with Renee classes for beginners will be held August 17<sup>th</sup>, 24<sup>th</sup>, 31<sup>st</sup> and September 7<sup>th</sup> from 9:00 A.M. to 12:00 P.M. each day. The first class fee includes brushes to keep. All paint and other supplies are provided. The first class fee is \$35; subsequent classes are \$20. Glass Painting Workshops with Renee will be held September 17<sup>th</sup> and 24<sup>th</sup> from 9:00 A.M. to 2:00 P.M. The first workshop fee is \$36; subsequent workshops are \$25. The Community Center gym is reserved each weekday morning from 8:00 to 9:00 for walking. The first Chautauqua was a huge success with 116 people in attendance. The Crosslake Chautauqua is a monthly forum whose mission is to provide a wide range of educational experiences for Crosslake area residents, guests, and visitors. The third forum will be held September 12<sup>th</sup>. The forum is titled, "Growth After You Are Grown", and will be presented by Dr. Larry G. Hopkins, Retired Vice President and Industrial Psychologist for Tyson Foods, Inc. This

workshop will assist participants to appreciate what they have accomplished in life, assess their current behavior and set meaningful goals in the future. A guide booklet on achieving personal goals will be provided. Dr. Hopkins will present his perspective on six factors that influence growth. The Community Center will host another Genealogy Club meeting on September 13<sup>th</sup>. The new club will meet at 1:00 P.M. at the Crosslake Community Center.

The Library has just completed 3 months of operation. The Library is open 37 hours per week. The Operation Team has trained about 40 volunteers, several of them teenagers. 1,127 library cards have been sold. Approximately 25 patrons used the computers per day in the month of July. Most days the computers had a waiting line. The collection currently has 18,536 items cataloged. A total of 6,763 items have been checked out since the facility opened, including those items checked out as part of the children's program. The Summer Reading Program had about 65 participants and lasted 6 weeks. The Story hour will resume on September 6<sup>th</sup>. Approximately 150 patrons attended the luncheon in July and the luncheon raised \$1,395.43 for the library. Area residents have enjoyed an early morning session on how to use the computer more comfortably. Another Senior Surf call will be offered September 12<sup>th</sup> from 8:30 A.M. to 10:00 A.M. Jon Henke thanked the Operation Team for making the first 3 months a great success. Mr. Henke thanked all the volunteers and donors who are committing their time to give the Crosslake Area a great new Library. Mr. Henke also thanked Ginny Hersey for making the children's program an astounding success.

The Community Center will be hosting a senior tennis mixer on Monday and Thursday afternoons from 4:00 P.M. to 7:00 P.M. The courts will be reserved for this program. There is a \$10.00 participation fee for this program. The Crosslake Park Department is offering a "New to Medicare" class on August 29<sup>th</sup> from 9:30 A.M. to 11:30 A.M. Senior LinkAge Line of the Central Minnesota Council provides this course. It will help those new to Medicare as well as those who just want to gain some knowledge. This year the Park Department will be conducting interpretive tours of the 152-acre park. Tours will include a ride on the new 6-passenger touring cart. While enjoying the ride, participants will experience more than three miles of trails that encompass McClain and Cranberry Lake. Riders can expect to see a variety of wildlife, flowers, trees and plants. Reservations are required and are based on availability. Tours will be scheduled Wednesday mornings at 10:00 A.M. Volunteers are needed for this program. Registrations for the Youth Fall Soccer League will be available beginning in late August. Forms will be mailed out to all individuals who played last year. Coaches will be Jeff Wurdeman and Hank Scheinhost. Practice and league games are scheduled to begin in September. Practices will be held at the Crosslake Park Softball Field. The Park Department received a donation from the Crosslake Lutheran Church of \$500 to be utilized to help purchase a replacement refrigerator/freezer for the Senior Meal Program. The Park Department is still

short on funding to replace the refrigeration unit that broke about a month ago. Donation letters have been drafted and sent. \$2,100 is still needed to replace the unit. MOTION 08R-23-07 WAS MADE BY STEVE ROE AND SECONDED BY RUSTY TAUBERT TO ACCEPT THE DONATION OF \$500 FROM THE CROSSLAKE LUTHERAN CHURCH TO BE USED TOWARDS THE PURCHASE OF A NEW REFRIGERATOR/FREEZER FOR THE SENIOR MEAL PROGRAM. MOTION CARRIED WITH ALL AYES.

- b. Crosslake Park and Recreation Commission Meeting Minutes of June 5, 2007 were included in the packet for Council information.
- c. Crosslake Park and Recreation/Library Commission Meeting Minutes of June 25, 2007 were included in the packet for Council information.
- d. Fund Raising Committee Meeting Minutes of July 16, 2007 were included in the packet for information.

6. RECYCLING –

- a. The Recycling Report for July 2007 was included in the additions to the agenda for Council information.
- b. A letter dated August 2, 2007 from Waste Partners Inc. regarding the Score Report Form was included in the packet for Council information.

7. PERSONNEL COMMITTEE – None.

8. ECONOMIC DEVELOPMENT AUTHORITY – None.

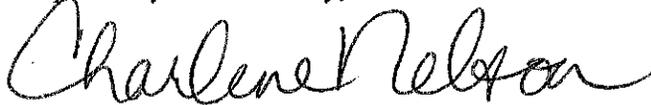
**H. OLD BUSINESS – None.**

**I. NEW BUSINESS – None**

**J. PUBLIC FORUM – None.**

**K. ADJOURN – MOTION 08R-24-07 WAS MADE BY IRENE SCHULTZ AND SECONDED BY RUSTY TAUBERT TO ADJOURN THIS REGULAR MEETING AT 9:50 P.M. MOTION CARRIED WITH ALL AYES.**

Respectfully submitted by,



Charlene Nelson  
Deputy Clerk

Deputy Clerk/ Minutes/8-13-07

**CITY OF CROSSLAKE  
CROW WING COUNTY  
STATE OF MINNESOTA**

Council member Irene Schultz introduced the following resolution and moved its adoption:

**RESOLUTION NO. 07-09**

**RESOLUTION ADOPTING A MODIFICATION TO THE DEVELOPMENT  
PROGRAM FOR DEVELOPMENT DISTRICT NO. 1 AND ESTABLISHING  
TAX INCREMENT FINANCING DISTRICT NO. 1-9 THEREIN AND  
ADOPTING A TAX INCREMENT FINANCING PLAN THEREFOR.**

BE IT RESOLVED by the City Council (the "Council") of the City of Crosslake, Minnesota (the "City"), as follows:

Section 1.     Recitals.

1.01.     The City Council of the City of Crosslake has heretofore established Development District No. 1 and adopted a Development Program therefor. It has been proposed by the City that the City adopt a Modification to the Development Program for Development District No. 1 (the "Development Program Modification") and establish Tax Increment Financing District No. 1-9 (the "District") therein and adopt a Tax Increment Financing Plan (the "TIF Plan") therefor (the Development Program Modification and the TIF Plan are referred to collectively herein as the "Program Modification and Plan"); all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.124 through 469.134 and Sections 469.174 to 469.1799, all inclusive, as amended, (the "Act") all as reflected in the Program Modification and Plan, and presented for the Council's consideration.

1.02.     The City has investigated the facts relating to the Program Modification and Plan and has caused the Program Modification and Plan to be prepared.

1.03.     The City has performed all actions required by law to be performed prior to the establishment of the District and the adoption and approval of the proposed Program Modification and Plan, including, but not limited to, notification of Crow Wing County and Independent School District No. 186 having taxing jurisdiction over the property to be included in the District, a review of and written comment on the Program Modification and Plan by the City Planning Commission, and the holding of a public hearing upon published notice as required by law.

1.04.     Certain written reports (the "Reports") relating to the Program Modification and Plan and to the activities contemplated therein have heretofore been prepared by staff and consultants and submitted to the Council and/or made a part of the City files and proceedings on the Program Modification and Plan. These documents include the Crow Wing County Housing Study and documents submitted by the developer. The Reports include data, information and/or substantiation constituting or relating to the basis for the other findings and determinations made in this resolution. The Council hereby confirms, ratifies and adopts the Reports, which are hereby incorporated into and made as fully a part of this resolution to the same extent as if set forth in full herein.

1.05.     The City is not modifying the boundaries of Development District No. 1, but is however, modifying the Development Program therefor.

Section 2. Findings for the Adoption and Approval of the Program Modification and Plan.

2.01. The Council hereby finds that the Program Modification and Plan, are intended and, in the judgment of this Council, the effect of such actions will be, to provide an impetus for development in the public interest and accomplish certain objectives as specified in the Program Modification and Plan, which are hereby incorporated herein.

Section 3. Findings for the Establishment of Tax Increment Financing District No. 1-9.

3.01. The Council hereby finds that Tax Increment Financing District No. 1-9 is in the public interest and is a "housing district" under Minnesota Statutes, Section 469.174, Subd. 11.

3.02. The Council further finds that the proposed development would not occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the Tax Increment Financing Plan, that the Program Modification and Plan conform to the general plan for the development or redevelopment of the City as a whole; and that the Program Modification and Plan will afford maximum opportunity consistent with the sound needs of the City as a whole, for the development or redevelopment of the District by private enterprise.

3.03. The Council further finds, declares and determines that the City made the above findings stated in this Section and has set forth the reasons and supporting facts for each determination in writing, attached hereto as Exhibit A.

Section 4. Public Purpose.

4.01. The adoption of the Program Modification and Plan conforms in all respects to the requirements of the Act and will help fulfill a need to develop an area of the City which is already built up, to provide housing opportunities, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose. For the reasons described in Exhibit A, the City believes these benefits directly derive from the tax increment assistance provided under the Plan. The developer will receive only the assistance needed to make this development financially feasible. As such, any private benefits received by the developer are incidental and do not outweigh the primary public benefits.

Section 5. Approval and Adoption of the Program Modification and Plan.

5.01. The Program Modification and Plan, as presented to the Council on this date, including without limitation the findings and statements of objectives contained therein, are hereby approved, ratified, established, and adopted and shall be placed on file in the office of the City Administrator.

5.02. The staff of the City, the City's advisors and legal counsel are authorized and directed to proceed with the implementation of the Program Modification and Plan and to negotiate, draft, prepare and present to this Council for its consideration all further plans, resolutions, documents and contracts necessary for this purpose.

5.03. The Auditor of Crow Wing County is requested to certify the original net tax capacity of the District, as described in the Program Modification and Plan, and to certify in each year thereafter the

amount by which the original net tax capacity has increased or decreased; and the City of Crosslake is authorized and directed to forthwith transmit this request to the County Auditor in such form and content as the Auditor may specify, together with a list of all properties within the District, for which building permits have been issued during the 18 months immediately preceding the adoption of this resolution.

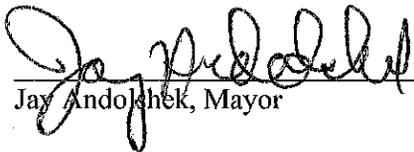
5.04. The City Administrator is further authorized and directed to file a copy of the Program Modification and Plan with the Commissioner of the Minnesota Department of Revenue and the Office of the State Auditor pursuant to Minnesota Statutes 469.175, Subd. 4a.

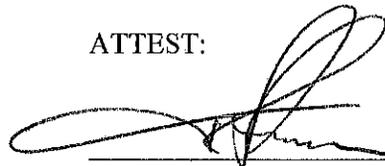
The motion for the adoption of the foregoing resolution was duly seconded by Council member Steve Roe, and upon a vote being taken thereon, the following voted in favor thereof:

Jay Andolshek, Steve Roe, Rusty Taubert, Irene Schultz and Dean Swanson

and the following voted against the same: none.

Dated: August 13, 2007

  
Jay Andolshek, Mayor

ATTEST:  
  
Tom Swenson, City Administrator

(Seal)

EXHIBIT A  
RESOLUTION NO. 07-09

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan for Tax Increment Financing District No. 1-9, as required pursuant to Minnesota Statutes, Section 469.175, Subdivision 3 are as follows:

1. *Finding that Tax Increment Financing District No. 1-9 is a housing district as defined in M.S., Section 469.174, Subd. 11.*

Tax Increment Financing District No. 1-9 consists of one parcel of land and adjacent and internal rights-of-way. The parcel is in the process of being subdivided, and the TIF District will contain one lot. The development will consist of 28-units of rental housing. All or a portion of which will receive tax increment assistance and will meet income restrictions described in *M.S. 469.1761*. At least 40 percent of the units/homes receiving assistance will have incomes at or below 60 percent of statewide median income. The market value of non-assisted housing or commercial property will be less than 20 percent of the total square footage. Appendix E of the TIF Plan contains background for the above finding.

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of Tax Increment Financing District No. 1-9 permitted by the TIF Plan.*

*The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future.* This finding is supported by the fact that the development proposed in this plan is a housing district that meets the City's objectives for development and redevelopment. The cost of land acquisition, site and public improvements and utilities makes this housing development infeasible without City assistance. Due to the high cost of building affordable new housing in the City and the cost of financing the proposed public improvements, this project is feasible only through assistance, in part, from tax increment financing. Tax increment will be used to assist with land acquisition, site improvements and infrastructure. The development of additional housing will give seniors the opportunity to remain in the community and make other homes available to new residents. The developer was asked for and provided a letter and a proforma as justification that the developer would not have gone forward without tax increment assistance (see attachment in Appendix F of the TIF Plan).

*The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan.* This finding is justified on the grounds that the cost of land acquisition, site and public improvements and utilities add to the total development cost. Tax increment will be used to write down the cost of land acquisition, site improvements and utilities, therefore making the units affordable. Historically, site development costs in this area have made development infeasible without tax increment assistance. Therefore, the City reasonably determines that no other development of similar scope is anticipated on this site without substantially similar assistance being provided to the development.

Therefore, the City concludes as follows:

- a) City's estimate of the amount by which the market value of the site will increase without the use of tax increment financing is \$0 (for the reasons described above), except some unknown amount of appreciation.
  - b) If the proposed development to be assisted with tax increment occurs in the District, the total increase in market value would be approximately \$3,038,000. The increase in market value would be due primarily to new construction within the District. (See Appendix D and F of the TIF Plan).
  - c) The present value of tax increments from the District for the maximum duration of the district permitted by the TIF Plan is estimated to be no more than \$295,032. (See Appendix D and F of the TIF Plan).
  - d) Even if some development other than the proposed development were to occur, the Council finds that no alternative would occur that would produce a market value increase greater than \$2,724,197 (the amount in clause b less the amount in clause c) without tax increment assistance.
3. *Finding that the TIF Plan for Tax Increment Financing District No. 1-9 conforms to the general plan for the development or redevelopment of the municipality as a whole.*

The Planning Commission reviewed the TIF Plan and found that the TIF Plan conforms to the general development plan of the City.

4. *Finding that the TIF Plan for Tax Increment Financing District No. 1-9 will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of Development District No. 1 by private enterprise.*

Through the implementation of the TIF Plan, the City will provide an impetus for residential development, which is desirable or necessary for increased population and an increased need for life-cycle housing within the City.

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**CITY OF CROSSLAKE  
COUNTY OF CROW WING  
STATE OF MINNESOTA**

**RESOLUTION NO. 07-10**

**RESOLUTION APPROVING THE DECERTIFICATION OF TAX INCREMENT  
FINANCING DISTRICT NO. 1-2 (DAGGETT BROOK VILLAS) OF THE CITY  
OF CROSSLAKE**

WHEREAS, on July 29, 1993, the City of Crosslake (the "City") created its Tax Increment Financing District No. 1-2 (Daggett Brook Villas) (the "District"), within Development District No. 1 (the "Project") and authorized a Daggett Pay As You Go tax increment obligation;

WHEREAS, the Pay As You Go obligation has been paid in full; and

WHEREAS, the City wishes to decertify this district before its statutorily required decertification date; and

WHEREAS, all other costs of the Project have been paid; and

WHEREAS, there are no parcels located in the District which currently have delinquent taxes under the duration limits; and

WHEREAS, the Tax Increment Financing Plan adopted on July 29, 1993, for the District, requires, pursuant to M.S. 469.176, Subd.1b (a) (4) redevelopment districts, that the duration of the District will be 25 years from the date of receipt by the City of the first tax increment; and

WHEREAS, the receipt of first tax increment was February of 1995; and

WHEREAS, December 2025 will be twenty five years from the first receipt of tax increment; and

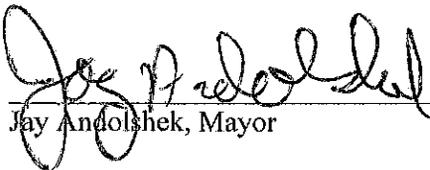
WHEREAS, the City desires to decertify this District early; and

WHEREAS, the City desires by this resolution to cause the decertification of the District after which all property taxes generated by property within the District will be distributed in the same manner as all other property taxes beginning January 1, 2008.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Crosslake that the City's staff shall take such action as is necessary to cause the County Auditor of Crow Wing County to decertify the District as tax increment districts and to no longer remit tax increment from the District to the City.

Dated: August 13, 2007

ATTEST:

  
Jay Andolshek, Mayor

  
Darlene Roach, City Clerk

(Seal)

**BILLS FOR APPROVAL**  
**13-Aug-07**

VENDORS	DEPT		AMOUNT
Abra True Value, hacksaw	PW		17.18
Abra True Value, sprinkler	PW		16.18
Abra True Value, pressure switch	PW		26.29
Abra True Value, hose, sprinkler	Cemetery		93.05
Ace Hardware, wasp killer, bushings, plugs, tee	PW		20.81
Ace Hardware, bulb for car	PW		7.65
Ace Hardware, wash bay repair	PW		51.09
Ace Hardware, conduit	PW		2.14
Ace Hardware, spray paint	P&R		4.25
Ace Hardware, foam roller, brad steel, string	P&R		11.15
Ace Hardware, general hardware	P&R		2.45
Ace Hardware, battery post, sealer, charcoal	P&R		12.32
Ace Hardware, paintbrushes, lever, stencil	P&R		15.45
Ace Hardware, staples, elbow, bolts	PW		10.79
Ace Hardware, general hardware	P&R		1.12
Ace Hardware, deadbolt	P&R		11.17
Ameripride, mats	PW		113.87
Anderson Brothers, wash rock	PW		144.30
AW Research, water test	Sewer		118.80
AW Research, water test	Sewer		81.00
AW Research, water test	Sewer		118.80
AW Research, water test	Sewer		118.80
AW Research, water test	Sewer		118.80
AW Research, water test	Sewer		118.80
Blue Lakes Disposal, trash removal	ALL	pd 7-25	266.64
Blue Lakes Disposal, trash removal	ALL		266.64
Bond Trust Services, agent services	Gov't	pd 7-17	450.00
Brainerd Hydraulics, wash bay repair	PW		40.66
Business Forms and Accounting, sewer bill forms	Sewer		223.69
California Contractors, rainsuits	PW		99.60
California Contractors, super wipes	PW		358.80
Cascade Computers, backup tapes	ALL		78.43
Cascade Computers, backup tapes	ALL		42.22
City of Crosslake, sewer utilities	PW/Gov't	pd 8-7	90.00
Council #65, union dues	ALL	pd 8/7	286.00
Crosslake Communications, reimburse 50% pera aid	Gov't		744.75
Crosslake Communications, phone, fax, cable, internet	ALL		1,415.77
Crosslake Rolloff, recycling	Gov't		2,450.00
Crow Wing County Hwy Dept, fuel, sweeping	ALL		3,451.82
Crow Wing County Hwy Dept, fuel	ALL		3,783.13
Crow Wing County Sheriffs Office, 2007 alarm renewal fee	P&R		20.00
Crow Wing Power, electric service	ALL	pd 7-19	4,666.50
Culligan, water and cooler rental	PW/Gov't		47.37
Dacotah Paper, mop heads	Gov't		69.75
Dacotah Paper, mops, towels, wipes, paper towels	P&R		296.97

Deaton's Mailing Systems, ink for postage meter	P&Z/Admin		173.60
Deferred Comp	ALL		226.92
Delta Dental, dental insurance	ALL		1,213.50
Demco, book club bags	Library		18.80
DG Towing, tire	P&R		25.00
Diamond Industrial Cleaning Equipment, repair wash bay	PW		640.87
Don Carlson, magic shows for reading club	Library		270.40
Donna Keiffer, aerobics session #7	P&R		242.44
East Side Oil, recycling filters	PW		50.00
East Side Oil, recycling filters and anti-freeze	PW		61.00
Echo Publishing, public hearing notice of 7-27	P&Z		57.60
Echo Publishing, window envelopes	Admin		75.17
Echo Publishing, envelopes	P&Z/Admin		67.63
Echo Publishing, business cards	P&Z		37.62
Echo Publishing, letterhead	Fire		59.85
Fastenal, tools	PW		304.18
Fastenal, bolts	PW		23.24
Fortis, disability	ALL		314.72
Fyle's, portable toilet	P&R		198.54
Hawkins, aqua hawk, ferric chloride	Sewer		800.48
Heartland Tire, replace tires	Fire		1,111.39
Houston Ford, repair a/c, transmission, brakes	Police		1,142.68
Jay Lorch, reimburse for uniform	Police		23.42
Jim Ritter, reimburse for uniform expenses	PW		123.97
Joe St. Pierre, reimburse mileage	Fire		30.07
Johnson, Killen & Seiler, teamsters negotiations	Gov't		1,386.00
Jon Henke, reimburse petty cash	P&R		39.96
Krause Lock and Key, keys	PW		29.82
Lakes Area Gallery, frame	Cemetery		203.98
Larson Allen, graphs for audit, year end consultation	Gov't		305.00
League of MN Cities, property insurance	Gov't		149.00
Marsden, office cleaning	PW		596.40
Martin Communications, install radio in new loader	PW		633.01
Mastercard, Amazon.com, books	Library	pd 7-25	98.99
Mastercard, American Car Care, oil change	PW		27.24
Mastercard, Backus Corner Store, ammunition	Police		165.56
Mastercard, Barnes & Noble, books	Library	pd 7-25	276.15
Mastercard, El Papation, travel expense	PW		39.52
Mastercard, Fleet Farm, paper towels	PW		51.32
Mastercard, Fleet Farm, nozzle	PW		51.12
Mastercard, Fleet Farm, clevis	PW		68.44
Mastercard, Holiday Inn, travel expense	PW		230.97
Mastercard, Sandia, library cards	Library	pd 7-25	515.00
Mastercard, Office Max, printer, ink	PW		577.76
Mastercard, Upstart, summer reading program supplies	Library	pd 7-25	117.73
Mastercard, Upstart, summer reading program supplies	Library		34.50
Mastercard, Wharf, engineering meeting	PW	pd 7-25	45.54
Mayer, Poter, Beinhorn & Rowe, audit services	Gov't		6,500.00
MCS Cleaning, july office cleaning	Gov't		772.13
Medica, health insurance	ALL		18,724.24
Menards, patchmaster, barrel fan	PW		280.89

Menards, plumbing and electrical supplies	PW		549.38
Michael McColgan, juggling for reading club	Library		110.00
Minnesota T's, tshirts for summer program	Library		380.95
Minnesota T's, tshirts for summer program	Library		24.50
Minnesota T's, baseball shirts	P&R		159.30
MN Benefits	Admin	pd 8-1	129.92
MN Life, life insurance	ALL		435.40
MN State Fire Department Assn, membership dues	Fire		39.50
MR Sign, crosswalk signs	PW		699.39
NCPERS-Life Insurance	ALL		144.00
Nikki Shoutz, summer reading program	Library		50.00
North Ambulance, subsidy	Ambulance	pd 8-1	1,103.00
North Central Lawn Care, weed control	P&R		569.78
Northern Lakes Electric, pull wire for steam table and fridge	P&R		585.00
Northwood Turf and Power, suspension	PW		251.45
Northwood Turf and Power, bearing, pin, nut	PW		138.22
Northwood Turf and Power, I-hammer, nut, bolt	PW		186.63
Paula Karl, reimburse for luncheon expenses	Library	pd 7-19	2,220.57
Pepsi, pop	PW		45.48
Pepsi, pop	PW		45.48
Pepsi, pop	PW		22.74
Pequot Auto Parts, slide hammer puller, cutoff tool, wheels	PW		148.53
Pequot Lakes Youth Sports, baseball expenses	P&R		39.37
PERA	ALL		N/A
Planning and Zoning Commissioners, 2nd quarter meetings	P&Z		575.00
Public Safety Center, fire gloves, suspenders	Fire		334.97
Quill, toner cartridge	Police		54.62
Quill, copy paper, binder clips, label tape	P&Z/Admin		212.38
Quill, 6x9 envelopes	P&Z/Admin		16.11
Ready Watt Electric, siren repair	Gov't		207.50
Reeds Market, forks, napkins, paper towels	Gov't		12.58
Reeds Market, baseball picnic supplies	P&R		72.71
Robin Ward, read club program	Library		50.00
Sandelin Law Office, legal fees	ALL		3,123.60
Scholastic, books	Library		28.98
Scholastic, books	Library		160.10
Scholastic, books	Library		4.04
Simonson Lumber, 4x8	P&R		17.57
Simonson Lumber, 4x8	P&R		17.57
Simonson Lumber, 4x4	PW		26.51
Simonson Lumber, repair counter top in scba room	Fire		813.89
St. Cloud Medical Group, drug testing	PW		79.00
State and Federal Taxes	ALL		N/A
Ted Strand, reimburse mileage	PW		174.60
Teri Jo Flynn-Gammon, reimburse for land use class	P&Z		125.00
The Light Depot, bulb recycling	PW		377.16
Tom Swenson, vehicle expense	Admin	pd 8-1	400.00
Unicel, cell phone service	PW	pd 7-25	107.55
Unicel, cell phone service	Police	pd 7-25	401.21
Uniforms Unlimited, dig power mag	Police		44.17
Uniforms Unlimited, uniform	Police		140.22



**ADDITIONAL BILLS FOR APPROVAL**  
**13-Aug-07**

VENDOR	DEPT	AMOUNT
Ace Hardware, battery post	PW	1.91
Ace Hardware, battery cable bolt	PW	1.47
Bureau of Crim Appr., remote access	Police	180.00
California Contractors, cleaning wipes	PW	89.70
Chemsearch, citron extra	PW	133.14
Crow Wing Power, electric service	ALL	5,292.71
Demco, jacket covers, blade	Library	269.61
Diamond Industrial Cleaning, hose, swivel, wash, nozzle	PW	541.36
Echo Publishing, annual disclosure tax increment	Gov't	75.60
Echo Publishing, envelopes	Fire	46.13
Echo Publishing, public hearing notice of 8-13	TIF	151.20
Ehlers & Associates, tif reporting, tif 1-9	TIF	4,695.00
Hawkins, aqua hawk, ferric chloride	Sewer	905.71
Johnson, Killen & Seiler, teamsters negotiations	Legal	346.50
League of MN Cities, workers comp insurance	ALL	337.00
Mastercard, Newegg.com, scanner	Admin	879.16
Minnesota Telecom Alliance, safety program	Gov't	1,815.00
Napa Auto Parts, terminal, bolt	PW	5.97
Quill, photo paper, lead	P&Z	56.04
Quill, pencils, time cards	P&Z/Admin	25.51
UCT, projector bulb	Gov't	420.68
<b>TOTAL</b>		<b>16,269.40</b>

RESOLUTION 07-11

AUTHORIZING EXECUTION OF AGREEMENT

BE IT RESOLVED that the Crosslake Police Department enter into a grant agreement with the Minnesota Department of Public Safety, Office of Traffic Safety for the project entitled SAFE & SOBER COMMUNITIES during the period from October 1, 2007 through September 30, 2008.

The Chief of the Crosslake Police Department is hereby authorized to execute such agreements and amendments as are necessary to implement the project on behalf of the Crosslake Police Department.

BE IT FURTHER RESOLVED the Chief of the Brainerd Police Department is hereby authorized to be the fiscal agent and administer this grant on behalf of the Crosslake Police Department.

Adopted by the Crosslake City Council this 13<sup>th</sup> day of August, 2007.

CITY OF CROSSLAKE



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Jay Andolshek  
Mayor



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Thomas Swenson  
City Administrator

G.3.b.

**Crosslake Telephone Company**  
**Check Register - General Account**  
From June 1, 2007 through June 30, 2007

Check #	Vendor ID / Name	Date	Description	Amount
000680	INTERNAL REVENUE SERVICE	06/01/07	FED, FICA, MEDICARE	6,538.26
000681	PERA	06/01/07	PERA EE & ER	3,315.48
000682	MINNESOTA DEPT OF REVENUE	06/01/07	MN INCOME TAX WITHHELD	1,117.47
000683	GREAT WEST LIFE & ANNUITY INSU	06/01/07	DEFERRED COMP	1,887.92
000685	INTERNAL REVENUE SERVICE	06/15/07	FED, FICA, MEDICARE	6,653.72
000686	PERA	06/15/07	PERA EE & ER	3,176.32
000687	MINNESOTA DEPT OF REVENUE	06/15/07	MN INCOME TAX WITHHELD	1,136.72
000688	GREAT WEST LIFE & ANNUITY INSU	06/15/07	DEFERRED COMP	1,887.92
000689	CITY OF CROSSLAKE (SEWER)	06/11/07	MAY SEWER	30.00
000690	CROW WING POWER	06/26/07	MAY ELECTRIC SERVICE	4,127.66
000691	MINNESOTA DEPT OF REVENUE	06/28/07	JUNE SALES & USE TAX	12,382.00
000692	INTERNAL REVENUE SERVICE	06/29/07	JUNE EXCISE TAX	2,149.92
000693	INTERNAL REVENUE SERVICE	06/29/07	FED, FICA, MEDICARE	7,010.77
000694	PERA	06/29/07	PERA EE & ER	3,292.36
000695	MINNESOTA DEPT OF REVENUE	06/29/07	MN INCOME TAX WITHHELD	1,202.72
000696	GREAT WEST LIFE & ANNUITY INSU	06/29/07	DEFERRED COMP	1,887.92
021441	MN CHILD SUPPORT PAYMENT CTR	06/01/07	CHILD SUPPORT WITHHELD	318.86
021485	MN CHILD SUPPORT PAYMENT CTR	06/15/07	CHILD SUPPORT WITHHELD	318.86
021486	MINNESOTA DEPT OF COMMERCE	06/11/07	1ST QTR INDIR ASSESSMENT	516.55
021487	REED'S MARKET	06/11/07	DONUTS,COFFEE,PLATES-ADV BD	81.46
021488	ECHO PUBLISHING & PRINTING INC	06/11/07	250 EA 3PART STAKING SHEET	136.34
021489	UNICEL	06/11/07	RECIP COMP 3/16-4/15	101.07
021490	ONVOY, INC.	06/11/07	BANDWIDTH, SS7, OPR SERV, 6264, 0264 PROG	5,249.54
021491	OLSEN THIELEN CO LTD	06/11/07	COST STUDIES	13,860.00
021492	UNITED PARCEL SERVICE	06/11/07	WKLY SERVICE CHARGE	68.00
021493	CROSSLAKE COMMUNICATIONS	06/11/07	PHONE SERVICE & COMM CTR VOICE MAIL	872.51
021494	DEBORAH FLOERCHINGER	06/11/07	CAFE PLAN REIMBURSEMENT	436.60
021495	CITY OF CROSSLAKE	06/11/07	OPERATING TRANSFER	20,000.00
021496	CITI LITES INC	06/11/07	LOCATES	1,527.90
021497	SOLIX	06/11/07	B&C STATEMENT	396.02
021498	CROSSLAKE EYE CENTER	06/11/07	SAFETY GLASSES-RON	247.86
021499	BADGER COMMUNICATIONS CORP	06/11/07	PHONES FOR ARMY CORP	1,258.54
021500	WILLIAM GORDON	06/11/07	CAFE PLAN REIMBURSEMENT	166.79
021501	MINNESOTA 9-1-1 PROGRAM	06/11/07	911, TAP, TACIP	1,787.90
021502	CENTRAL TRANSPORT GROUP LLC	06/11/07	4 DS1'S, 1 T3	4,088.00
021503	PINE RIVER FAMILY CLINIC	06/11/07	LARRY'S DOT PHYSICAL	110.00
021504	NEUSTAR INC.	06/11/07	SOW & LNP CHARGES	79.96
021505	PAUL BUNYAN SCENIC BYWAY ASSOC	06/11/07	TEAR-OFF MAP ADVERTISING	150.00
021506	MERRILL LYNCH	06/11/07	FUND DEBT SERVICE RESERVE & BUILDING RESERVE	50,785.34
021507	MOBILE COMMUNICATIONS	06/11/07	INSTALL 2WAY RADIO-FRITZ TRK	416.99
021508	PINNACLE PUBLISHING, LLC	06/11/07	TELEPHONE DIRECTORY-10	2,162.89
021509	NORCON BORING INC	06/11/07	RELOCATE FIBER DUCT TO LB, PLOWS, SERV TRANS	7,581.79
021510	AMERICAN TELEVISION & COMM.	06/11/07	AFFILIATE PAYMENT	1,000.00
021511	FOX SPORTS NET NORTH	06/11/07	AFFILIATE PAYMENT	7,761.12
021512	UNICEL	06/11/07	PAGER	6.39
021513	MTV NETWORKS	06/11/07	AFFILIATE PAYMENT	6,468.34
021514	AZAR COMPUTER SOFTWARE	06/11/07	JULY-DEC SOFTWARE SUPPORT	2,250.00
021515	TV GUIDE NETWORKS INC	06/11/07	AFFILIATE PAYMENT	666.78
021516	PROSTAFF	06/11/07	CUST SERV & ACCTNG TEMP HELP	1,283.04
021517	LONE STAR TELEQUIP, INC	06/11/07	2 EA ADSL 6+6 CARDS	1,870.63
021518	D&H DISTRIBUTING CO.	06/11/07	RESALE ITEMS, SLING BOX, BRIDGE ADAPTERS	1,210.39
021519	AT&T - DALLAS TX	06/11/07	PARS 6/1, BAN 1499	2,366.12
021520	7SIGMA SYSTEMS, INC	06/11/07	SERVER MIGRATION, JUNE CONSULTING	4,275.00
021521	CORNERSTONE GROUP	06/11/07	JUNE NEWSLETTER	1,847.51
021522	CANNON FINANCIAL SERVICES, INC	06/11/07	PMT 33 OF 36 COPIER LEASE	424.94
021523	ZONE TELECOM, INC.	06/11/07	MAY ACTIVITY	7,361.51
021524	CROSSLAKE ACE	06/11/07	CONDUIT,NUTS,BOLTS,FLASHLIGHTS,PWR ADAPTER	78.25
021525	NATIONAL CABLE TEL COOP, INC	06/11/07	AFFILIATE PAYMENT	19,924.65
021526	EQUUS COMPUTER SYSTEMS, INC	06/11/07	PC'S FOR RESALE	3,520.20

021527	CINNAMON MUELLER	06/11/07	CONFERENCE RE: SET TOP BOXES	165.00
021528	CALIX NETWORKS	06/11/07	FREIGHT - CABINET REPLACEMENT	126.86
021529	WASTE PARTNERS, INC.	06/11/07	MAY TRASH REMOVAL	99.08
021530	DISCOVERY DOMESTIC NETWORKS	06/11/07	AFFILIATE PAYMENT	211.68
021531	DORSEY & WHITNEY, LLP	06/11/07	MPUC REG FILING	109.50
021532	WEATHER CENTRAL	06/11/07	JUNE DATA SERVICES -1	125.00
021533	STEAM BROTHERS	06/11/07	TILE CLEANING & SEALING	564.08
021534	CROW WING COUNTY HIGHWAY DEPT.	06/11/07	APRIL UNLEADED FUEL	826.67
021535	SUE MILLER	06/11/07	PARTNER 3 X 8 FOR RESALE	250.00
021536	IBEW LOCAL UNION 949	06/29/07	UNION DUES	375.14
021537	MN CHILD SUPPORT PAYMENT CTR	06/29/07	CHILD SUPPORT WITHHELD	318.86
021538	LAKES PRINTING	06/27/07	2007 CUSTOMER SURVEY	402.45
021539	RONALD J. SCHMIDT	06/27/07	REIMB FOR CLASS A DIFFERENCE	15.00
021540	GOPHER STATE ONE CALL	06/27/07	LOCATES	404.55
021541	OLSEN THIELEN CO LTD	06/27/07	1ST QTR NECA REPORTING, MIC/MART ACTIVITY	1,900.04
021542	QWEST COMMUNICATIONS	06/27/07	6/1 PARS MNCCLK-20	273.32
021543	CITI LITES INC	06/27/07	LOCATES	1,541.90
021544	THE OFFICE SHOP	06/27/07	ADDING MACH ROLLS, TISSUE, STAPLER, SHEET CVR	85.59
021545	DELTA DENTAL PLAN OF MINNESOTA	06/27/07	JULY DENTAL PREMIUM	1,030.50
021546	CROSSLAKE EYE CENTER	06/27/07	SUN-CLIP FOR SAFETY GLASSES	25.00
021547	MEDICA	06/27/07	JULY MEDICAL PREMIUM	14,874.96
021548	AMERIPRIDE LINEN & APPAREL	06/27/07	RUG & TOWEL SERVICE	82.04
021549	MN NCPERS LIFE INSURANCE	06/27/07	JULY LIFE PREMIUM #4072707	64.00
021550	CABLE DISPOSAL SERVICE	06/27/07	PERM DISCONNECT	115.28
021551	WHITEFISH AUTOMOTIVE	06/27/07	REPAIR FLAT-RON'S TRUCK	12.77
021552	MERRILL LYNCH	06/27/07	MAY VISA ACTIVITY	2,672.96
021553	ASSURANT EMPLOYEE BENEFITS	06/27/07	JULY LONG TERM DISABILITY	232.70
021554	MINNESOTA LIFE INSURANCE CO	06/27/07	JULY LIFE PREMIUM	177.40
021555	NORCON BORING INC	06/27/07	CONTRACT PLOWS	8,252.68
021556	UNIVERSAL SERVICE ADMIN CO.	06/27/07	JUNE FUSC CHARGES	2,012.45
021557	LIFETIME	06/27/07	AFFILIATE PAYMENT	895.72
021558	PLAYBOY ENTERTAINMENT GROUP	06/27/07	AFFILIATE PAYMENT	5.18
021559	MIKE'S ELECTRIC	06/27/07	REPAIR OUTSIDE & INSIDE LIGHTS	266.00
021560	PROSTAFF	06/27/07	CUST SERV & ACCTG TEMP HELP	1,425.60
021561	VANTAGE POINT	06/27/07	MAY TTP SERVICE FEE	150.00
021562	D&H DISTRIBUTING CO.	06/27/07	MODEMS, AND ROUTERS AND ITEMS FOR RESALE	7,239.00
021563	THELEN HEATING & ROOFING, INC.	06/27/07	AIR COND MAINT & REPLACE PAD	310.00
021564	CYNTHIA PERKINS	06/27/07	CAFE PLAN REIMBURSEMENT	175.00
021565	SPRINT	06/27/07	CELL PHONES	218.33
021566	WELCH & COMPANY LLP	06/27/07	NUMBERING PLAN ADMIN 7/07-7/08	25.00
021567	GENSOFT SYSTEMS, INC	06/27/07	JUNE BILLING	7,236.84
021568	CBT, INC.	06/27/07	CABS POSTAGE	29.74
021569	CHEMSEARCH	06/27/07	SPRAY LUBE	192.09
021570	ARVIG COMMUNICATION SYSTEMS	06/27/07	ANSWERING SERVICE	92.12
021571	MARSDEN BLDG MAINTENANCE LLC	06/27/07	JUNE CLEANING	733.79
021572	PEQUOT AUTOMOTIVE, INC.	06/27/07	DOT INSPECT & REPAIR	1,430.76
021573	MODERN ENTERPRISE SOLUTIONS	06/27/07	SPARE FOR THE 3845 ROUTER	4,962.98
021574	DAVID BUSCH	06/27/07	PERM DISCONNECT	64.21
021575	NILS & ELLIS FAUCHALD	06/27/07	PERM DISCONNECT	61.31
021576	DAVE SHANNON	06/27/07	PERM DISCONNECT	26.20
021577	TIM DESMOND	06/27/07	PERM DISCONNECT	29.69
021578	JOHN LEIDIG	06/27/07	PERM DISCONNECT	25.02
021579	JAVA CONNECTIONS	06/27/07	PERM DISCONNECT	31.69
021580	PROPERTY 3 REAL ESTATE	06/27/07	PERM DISCONNECT	266.52
021581	CRAIG S. GLOCK	06/27/07	PERM DISCONNECT	62.25
021582	DIANE WEDAN	06/27/07	PERM DISCONNECT	168.06
021583	BOB & AUDREY TROG	06/27/07	PERM DISCONNECT	37.56
021584	CLIFFORD CLEMONS	06/27/07	PERM DISCONNECT	31.31
021585	MIKE MCMAHON	06/27/07	PERM DISCONNECT	28.80
021586	ROBERT E. PETERS	06/27/07	PERM DISCONNECT	39.85
021587	RON & SANDRA CICH	06/27/07	PERM DISCONNECT	12.91
<b>TOTAL FOR GENERAL ACCOUNT</b>				<b>296,452.99</b>