

MILACA CITY COUNCIL AGENDA  
SEPTEMBER 8, 2010

7:00

Call meeting to order  
Roll Call

Consent Agenda

Minutes of August 19 regular council meeting  
Bills for payment  
Resolution No. 10 - 32 DNR grant certification  
Senior Center awning  
City Treasurer's report

Citizens Forum

Public Hearing

Requests and Communications

Roger Teal - Teal's Market  
David Drown

Ordinances and Resolutions

Resolution No. 10 - 31 Purchase agreement (tabled from Aug. 19 meeting)  
Resolution No. 10 - 33 Declaring a building hazardous  
Resolution No. 10 - 34 Adopting the preliminary 2011 budget and levy  
Resolution No. 10 - 35 Authorization to apply for DOT grant

Reports of Boards and Commissions

Planning commission  
Economic Development commission  
Airport commission  
Parks commission  
Downtown Initiative

Unfinished Business

Bock sewer

New Business

Main lift station repairs - Phil Gravel  
Bond refunding - Steve Mattson  
- Resolution(s)

Council Comments

Adjourn

This agenda and attachments are available on the city's website, [www.cityofmilaca.org](http://www.cityofmilaca.org)

MILACA CITY COUNCIL MINUTES  
AUGUST 19, 2010

The regular meeting of the Milaca City Council was called to order at 6:30 p.m. by Mayor Harold Pedersen. Upon roll call the following Council members were present: Totzke, Dillan, Bekius, and Muller.

Staff present: Lerud, Schieffer, and Moyer

Others present: Charlie Strickland, Jr., and Luther Dorr

Mayor Pedersen said he would like to remove changing the September Council meeting date from the consent agenda.

Motion by Bekius, second by Totzke to approve the consent agenda:

1. Minutes of the July 15 regular council meeting
2. General bills, 810148E-810154E, #36944-36947, #37007-37012, #37025-37069, totaling \$119,937.88; Liquor bills, 910026E-910029E, #21452-21468, #21504-21520, totaling \$157,738.71.
3. RESOLUTION NO. 10-28 RESOLUTION ASSESSING UNPAID WATER/SEWER BILL (entire text appears in Resolution book.)
4. RESOLUTION NO. 10-29 RESOLUTION ASSESSING MOWING COSTS (entire text appears in Resolution book.)
5. RESOLUTION NO. 10-30 A RESOLUTION REQUESTING STREET CLOSURE (entire text appears in Resolution book.)
6. Parks Commission appointments:
  - a. Tim Poorker for a term ending December 31, 2012
  - b. Mike VanHeel for a term ending December 31, 2013
7. Approve a temporary gambling permit for Zion Lutheran Church.
8. Approve City Treasurer's report.

Unanimous consent.

Mayor Pedersen opened citizen's forum and invited anyone to speak to an item not on the agenda. No one came forward. Mayor Pedersen closed citizen's forum.

Lerud said he received a call this afternoon regarding a law change affecting the city purchase of forfeited property. He said it appears that the city would not be able to sell the property after it acquired it, but the Economic Development Authority could. He passed that information on to the city attorney and he recommended taking no action tonight until it could be determined the best way to proceed.

Motion by Muller, second by Totzke to table Resolution No. 10-31, unanimous consent.

There was no planning commission report.

The economic development commission did not meet last month.

Council member Muller said the airport commission meeting minutes were included in the agenda. He said there were 75 airplanes for the fly in, and a retired air traffic controller was a great help. He said there were over 300 people for the hot air balloon ride, and 700 breakfasts were served.

Mayor Pedersen said the parks commission met and they discussed the blue grass festival. He said there were an estimated 1,000 people there, and they are looking at moving it to the last weekend in July next year. Mayor Pedersen said he was pleased with the condition of the park at the end of the event. He said some donations were received for the band shell improvement. Mayor Pedersen also said the resurfaced parking lot looks great.

Council member Dillan said the downtown commission met the other night. He said the river walk project is getting close to being done. DeBoer Landscaping is going to do some landscaping along the walkway, and volunteers will plant crab apple trees. He said there will be boulders set and sandblasted with the city logo. He said the kiosk design has been figured out.

Dillan said the healthy community partnership group will have a booth at the homecoming rally to meet the requirement of annually letting people know what the group is doing. He said it will also be a kick off to a "buy local" campaign. Dillan said that they are also looking to St. Cloud State to see if there is a grad student that could assist with a one, three, and five-year street scape plan.

Lerud presented information on a truck for the parks department. He said that staff has been looking for a diesel truck with a plow and a flat bed with a dump box for a couple of years without success. He said Moyer found this truck last week, and it meets, and exceeds all the requirements. In addition, it comes with a removable leaf box and a sander. The asking price was \$28,500, but the value with the attachments is much higher, and we settled on a price of \$25,500. Lerud said the versatility of the truck will make it valuable for all departments. Motion by Bekius, second by Dillan to purchase the truck for \$25,500, unanimous consent.

Motion by Totzke, second by Bekius to hold the regular September Council meeting on September 8, beginning at 7:00 p.m., unanimous consent.

Mayor Pedersen called for Council comments.

Council member Totzke asked about the status of the pedestrian bridge replacement. Lerud said that the hydraulic study came back and said that the bridge needed to be replaced with one that is 180 feet long, compared to the 140 foot existing bridge. That

drove the cost for the bridge along up to approximately \$210,000. He said at that price the city cannot do the project. He said he contacted the area hydrologist at the DNR and asked if it was acceptable to change the plan to use the existing abutments, remove the piers in the water, and replace the bridge with a clear span. Lerud said the DNR is looking at it and if they get back to the city soon, we might still be able to complete the bridge replacement portion this year. He said if the existing abutments can be used, the entire project might be able to be done for the appropriated amount.

Council member Dillan said he is going to order an arrow sign pointing down to Rec Park to help let people know where the park is.

Mayor Pedersen said the council has all received complaints about the planting on the west side of the library. He said he received two this week. Lerud said there is another sign being planned for next year.

With no other business a motion to adjourn was made by Muller, second by Dillan, all voted in favor and the meeting adjourned at 7:00 p.m.

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Mayor Harold Pedersen

ATTEST

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Greg Lerud, City Manager

**\*Check Detail Register©**

AUGUST 2010

Check Amt Invoice Comment

**10100 General Bank**

Paid Chk#		Date	Vendor		
810171E		8/7/2010	<b>EAST CENTRAL ENERGY</b>		
E 603-49450-381	Utilities	\$35.00	201875902	ELECTRIC	
E 603-49450-381	Utilities	\$69.37	203981301	ELECTRIC	
E 101-43000-380	Street Lights	\$2,714.41	204619700	ELECTRIC	
E 101-45200-381	Utilities	\$48.41	205400900	ELECTRIC	
E 602-49400-381	Utilities	\$1,326.20	206041500	ELECTRIC	
E 101-45500-381	Utilities	\$883.59	206085200	ELECTRIC	
E 602-49400-381	Utilities	\$576.10	206734200	ELECTRIC	
E 101-45200-381	Utilities	\$31.13	5379600	ELECTRIC	
E 101-49810-381	Utilities	\$190.97	5448100	ELECTRIC	
E 101-42110-437	Other Miscellaneous	\$59.66	6302100	ELECTRIC	
E 603-49450-381	Utilities	\$96.62	6678100	ELECTRIC	
E 101-42280-381	Utilities	\$268.06	6751501	ELECTRIC	
E 101-42280-381	Utilities	\$400.25	7546001	ELECTRIC	
E 101-41940-381	Utilities	\$852.00	8145502	ELECTRIC	
E 101-49810-381	Utilities	\$54.31	830700	ELECTRIC	
E 101-49810-381	Utilities	\$50.55	831000	ELECTRIC	
E 101-43000-380	Street Lights	\$265.47	831300	ELECTRIC	
E 101-43000-381	Utilities	\$495.33	831500	ELECTRIC	
E 603-49450-381	Utilities	\$592.14	832000	ELECTRIC	
E 602-49400-381	Utilities	\$62.31	832100	ELECTRIC	
E 101-45600-381	Utilities	\$130.00	832400	ELECTRIC	
E 603-49450-381	Utilities	\$82.50	832500	ELECTRIC	
E 603-49450-381	Utilities	\$110.36	832600	ELECTRIC	
E 602-49400-381	Utilities	\$90.92	833100	ELECTRIC	
E 602-49400-381	Utilities	\$117.27	833300	ELECTRIC	
E 101-45200-381	Utilities	\$27.98	833400	ELECTRIC	
E 101-45200-381	Utilities	\$227.75	833600	ELECTRIC	
E 208-49010-381	Utilities	\$202.24	9084202	ELECTRIC	
E 602-49400-381	Utilities	\$85.68	970110800	ELECTRIC	
E 101-42110-437	Other Miscellaneous	\$29.60	97017300	ELECTRIC	
<b>Total EAST CENTRAL ENERGY</b>		<b>\$10,176.18</b>			
Paid Chk# 810172E		8/15/2010	<b>MILACA LOCAL LINK</b>		
E 619-49900-321	Telephone	\$100.48	320-982-1099	PHONE SERVICE-DEP REG	
E 101-45500-321	Telephone	\$39.15	320-982-1549	ALARM LINE - LIBRARY	
E 101-42280-321	Telephone	\$87.47	320-982-3465	PHONE SERVICE-FIRE	
<b>Total MILACA LOCAL LINK</b>		<b>\$227.10</b>			
Paid Chk# 810173E		8/16/2010	<b>UNION SECURITY INSURANCE CO.</b>		
G 101-21707	Disability	\$297.08	4022335-0-1	LTD-AUG	
<b>Total UNION SECURITY INSURANCE CO.</b>		<b>\$297.08</b>			
Paid Chk# 810174E		8/31/2010	<b>INCONTACT INC</b>		
E 101-42280-321	Telephone	\$8.59	4020342	LONG DISTANCE SERVICE-FIRE	
E 101-41940-321	Telephone	\$54.94	4020370	LONG DISTANCE SERVICE-CITY HALL	
E 101-43000-321	Telephone	\$5.30	4020375	LONG DISTANCE SERVICE-PW	
E 101-42110-321	Telephone	\$38.95	4021370	LONG DISTANCE SERVICE-PD	
E 619-49900-321	Telephone	\$3.54	4021396	LONG DISTANCE SERVICE-DEP REG	
E 101-41940-321	Telephone	\$8.74	4021397	LONG DISTANCE SERVICE-LIQUOR	
E 602-49400-321	Telephone	\$1.65	4021432	LONG DISTANCE SERVICE-WATER	
E 101-45200-321	Telephone	\$9.86	4580547	LONG DISTANCE SERVICE-PARKS	
<b>Total INCONTACT INC</b>		<b>\$131.57</b>			
Paid Chk# 810175E		8/12/2010	<b>ENDICIA ACCOUNTING</b>		
G 609-20701	Due to General Funds	\$400.00		POSTAGE FOR METER	
E 101-41940-322	Postage	\$100.00		POSTAGE FOR METER	

**\*Check Detail Register©**

AUGUST 2010

	Check Amt	Invoice	Comment
Total ENDICIA ACCOUNTING	\$500.00		
10100 General Bank	\$11,331.93		

**Fund Summary**

<b>10100 General Bank</b>	
101 GENERAL FUND	\$7,379.55
208 CHARITABLE GAMBLING FUND	\$202.24
602 WATER FUND	\$2,260.13
603 SEWER FUND	\$985.99
609 MUNICIPAL LIQUOR FUND	\$400.00
619 DEPUTY REGISTRAR FUND	\$104.02
	<u>\$11,331.93</u>

**\*Check Detail Register©**

SEPTEMBER 2010

Check Amt Invoice Comment

**10100 General Bank**

Paid Chk#	Date	Service	Check Amt	Invoice	Comment
<b>10100 General Bank</b>					
Paid Chk# 037077	9/8/2010	<b>AMERIPRIDE</b>			
E 101-45500-310		Other Professional Services	\$12.85	2200010657	RUGS-LIBRARY
E 619-49900-310		Other Professional Services	\$16.00	2200010658	RUGS-DEP REG
E 101-41940-310		Other Professional Services	\$6.80	2200010658	RUGS-CITY HALL
E 101-45500-310		Other Professional Services	\$23.56	2200015800	RUGS-LIBRARY
E 101-41940-310		Other Professional Services	\$6.80	2200015801	RUGS-CITY HALL
E 619-49900-310		Other Professional Services	\$16.00	2200015801	RUGS-DEP REG
		<b>Total AMERIPRIDE</b>	\$82.01		
Paid Chk# 037078	9/8/2010	<b>BILLINGS SERVICE</b>			
E 101-45200-212		Auto Expense (Fuel/Repair)	\$325.38		GAS-PARKS
E 208-49020-406		Trail Maintenance	\$21.38		GAS-TRAILS
E 101-42110-212		Auto Expense (Fuel/Repair)	\$114.12		GAS-POLICE
E 603-49450-212		Auto Expense (Fuel/Repair)	\$30.99		GAS-SEWER
E 101-43000-212		Auto Expense (Fuel/Repair)	\$316.25		GAS-PW
E 101-49810-212		Auto Expense (Fuel/Repair)	\$185.05		GAS-AIRPORT
E 101-42280-212		Auto Expense (Fuel/Repair)	\$103.23		GAS-FIRE
		<b>Total BILLINGS SERVICE</b>	\$1,096.40		
Paid Chk# 037079	9/8/2010	<b>C. BANKS TREE SERVICE</b>			
E 101-45200-310		Other Professional Services	\$650.00		TREE CLEANUP
		<b>Total C. BANKS TREE SERVICE</b>	\$650.00		
Paid Chk# 037080	9/8/2010	<b>CENTRAL FLEET SERVICE</b>			
E 101-43000-310		Other Professional Services	\$81.00	16641	TRUCK INSPECTION
E 101-43000-310		Other Professional Services	\$81.00	16661	TRUCK INSPECTION
		<b>Total CENTRAL FLEET SERVICE</b>	\$162.00		
Paid Chk# 037081	9/8/2010	<b>CHOSEN VALLEY TESTING</b>			
E 500-45200-310		Other Professional Services	\$2,550.00	8017	PED BRIDGE-GEOTECHNICAL EVALUATION
		<b>Total CHOSEN VALLEY TESTING</b>	\$2,550.00		
Paid Chk# 037082	9/8/2010	<b>CORNER MART</b>			
E 101-42110-212		Auto Expense (Fuel/Repair)	\$953.71		GAS-POLICE
E 208-49020-406		Trail Maintenance	\$20.50		GAS-TRAILS
E 101-49810-212		Auto Expense (Fuel/Repair)	\$28.90		GAS-AIRPORT
E 602-49400-212		Auto Expense (Fuel/Repair)	\$215.83		GAS-WATER
E 101-43000-212		Auto Expense (Fuel/Repair)	\$404.09		GAS-PW
E 700-50000-212		Auto Expense (Fuel/Repair)	\$97.00		GAS-JP
E 603-49450-212		Auto Expense (Fuel/Repair)	\$69.24		GAS-SEWER
E 101-45200-212		Auto Expense (Fuel/Repair)	\$307.90		GAS-PARKS
		<b>Total CORNER MART</b>	\$2,097.17		
Paid Chk# 037083	9/8/2010	<b>DOVE FRET LAND &amp; VAN VALKENBURG</b>			
E 101-41610-304		Legal Fees	\$875.00	56720	CIVIL RETAINER
E 101-41610-304		Legal Fees	\$3,149.50	56721	CRIMINAL RETAINER
		<b>Total DOVE FRET LAND &amp; VAN VALKENBURG</b>	\$4,024.50		
Paid Chk# 037084	9/8/2010	<b>E.C.M. PUBLISHERS, INC.</b>			
E 211-49000-343		Other Advertising	\$15.50	215623	FARMER'S MARKET AD
E 211-49000-343		Other Advertising	\$15.50	215820	FARMER'S MARKET AD
E 211-49000-343		Other Advertising	\$46.50	215821	CRAFTERS WANTED-REC FEST
E 211-49000-343		Other Advertising	\$355.75	215822	REC FEST AD
E 101-45200-437		Other Miscellaneous	\$128.26	215929	REC FEST FLYERS
E 211-49000-343		Other Advertising	\$15.50	215986	FARMER'S MARKET AD
E 211-49000-343		Other Advertising	\$15.50	216183	FARMER'S MARKET AD
E 211-49000-343		Other Advertising	\$15.50	216502	FARMER'S MARKET AD

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			<b>Check Amt</b>	<b>Invoice</b>	<b>Comment</b>
E 211-49000-343	Other Advertising		\$15.50	216861	FARMER'S MARKET AD
E 211-49000-343	Other Advertising		\$15.50	217331	FARMER'S MARKET AD
E 407-49100-351	Legal Notices Publishing		\$20.25	95948	TIF DISCLOSURE AD
E 410-49100-437	Other Miscellaneous		\$20.25	95948	TIF DISCLOSURE AD
E 409-49100-351	Legal Notices Publishing		\$20.25	95948	TIF DISCLOSURE AD
E 211-49000-343	Other Advertising		\$10.00	96006	FARMER'S MARKET AD
E 211-49000-343	Other Advertising		\$10.00	96090	FARMER'S MARKET AD
E 211-49000-343	Other Advertising		\$10.00	96233	FARMER'S MARKET AD
E 211-49000-343	Other Advertising		\$10.00	96369	FARMER'S MARKET AD
<b>Total E.C.M. PUBLISHERS, INC.</b>			<b>\$739.76</b>		
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Paid Chk# 037085	9/8/2010	<b>ERICKSON ENGINEERING CO, LLC</b>			
E 500-45200-303	Engineering Fees		\$2,597.00	8944	PEDESTRIAN WALKING BRIDGE
<b>Total ERICKSON ENGINEERING CO, LLC</b>			<b>\$2,597.00</b>		
<hr/>					
Paid Chk# 037086	9/8/2010	<b>FRANSEN DECORATING</b>			
E 101-45200-437	Other Miscellaneous		\$213.75	33450	MASONRY COATING-PARKS
<b>Total FRANSEN DECORATING</b>			<b>\$213.75</b>		
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Paid Chk# 037087	9/8/2010	<b>FRONTIER</b>			
E 602-49400-321	Telephone		\$1.92	983-0121	PHONE SVC-WATER
E 101-49810-321	Telephone		\$49.31	983-2648	PHONE SVC-AIRPORT
E 101-45500-321	Telephone		\$16.20	983-3141	PHONE SVC-LIBRARY
E 101-41940-321	Telephone		\$186.73	983-3141	PHONE SVC-CITY HALL
E 101-41940-321	Telephone		\$47.84	983-3142	PHONE SVC-CITY HALL
E 619-49900-321	Telephone		\$89.68	983-3143	PHONE SVC-DEP REG
E 101-42280-321	Telephone		\$48.05	983-3465	PHONE SVC-FIRE
E 101-45200-321	Telephone		\$44.45	983-5729	PHONE SVC-PARKS
E 602-49400-321	Telephone		\$143.40	983-6134	PHONE SVC-WATER
E 101-42110-321	Telephone		\$94.00	983-6166	PHONE SVC-POLICE
E 101-43000-321	Telephone		\$101.15	983-6547	PHONE SVC-PW
<b>Total FRONTIER</b>			<b>\$822.73</b>		
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Paid Chk# 037088	9/8/2010	<b>GOPHER STATE ONE CALL</b>			
E 602-49400-310	Other Professional Services		\$46.40	81423	AUGUST LOCATES
<b>Total GOPHER STATE ONE CALL</b>			<b>\$46.40</b>		
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Paid Chk# 037089	9/8/2010	<b>GRANITE ELECTRONICS</b>			
E 101-42110-226	Radio Repair		\$70.84	4446641	RADIO BATTERY
<b>Total GRANITE ELECTRONICS</b>			<b>\$70.84</b>		
<hr/>					
Paid Chk# 037090	9/8/2010	<b>HACH COMPANY</b>			
E 602-49400-217	Other Operating Supplies		\$49.30	6852895	TESTING SUPPLIES
<b>Total HACH COMPANY</b>			<b>\$49.30</b>		
<hr/>					
Paid Chk# 037091	9/8/2010	<b>HAWKINS, INC.</b>			
E 602-49400-216	Chemicals and Chem Products		\$2,133.79	3150146	CHEMICALS
<b>Total HAWKINS, INC.</b>			<b>\$2,133.79</b>		
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Paid Chk# 037092	9/8/2010	<b>HEARTLAND GLASS CO., INC.</b>			
E 101-45500-310	Other Professional Services		\$424.17	54588	AUTOMATIC DOOR REPAIR
<b>Total HEARTLAND GLASS CO., INC.</b>			<b>\$424.17</b>		
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Paid Chk# 037093	9/8/2010	<b>JENSEN BACKHOE, LLC</b>			
E 603-49450-310	Other Professional Services		\$7,470.00	4026	WASTEWATER IMPROVEMENTS
<b>Total JENSEN BACKHOE, LLC</b>			<b>\$7,470.00</b>		
<hr/>					
Paid Chk# 037094	9/8/2010	<b>JIM'S MILLE LACS DISPOSAL</b>			
E 101-43000-312	Compost		\$300.00	211948	COMPOST

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			<b>Check Amt</b>	<b>Invoice</b>	<b>Comment</b>
E 101-43000-384	Refuse/Garbage Disposal		\$137.57	211948	GARBAGE-CITY
E 101-45200-384	Refuse/Garbage Disposal		\$77.39	211948	GARBAGE-PARKS
E 101-42280-384	Refuse/Garbage Disposal		\$25.00	211948	GARBAGE-FIRE
<b>Total JIM'S MILLE LACS DISPOSAL</b>			<b>\$539.96</b>		
<hr/>					
Paid Chk#	037095	9/8/2010	<b>JOHNSON'S AUTO TRANSPORT/TOW</b>		
E 101-42110-310	Other Professional Services		\$110.00	1882	TOW-CHEVY S-10
<b>Total JOHNSON'S AUTO TRANSPORT/TOW</b>			<b>\$110.00</b>		
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Paid Chk#	037096	9/8/2010	<b>K.E.E.P.R.S.</b>		
E 101-42110-434	Uniforms		(\$99.95)	142950-80	CREDIT-UNIFORMS
E 101-42110-434	Uniforms		\$85.98	145798	UNIFORMS-QUAINTANCE
E 101-42110-434	Uniforms		\$90.99	145798-01	UNIFORMS-QUAINTANCE
E 101-42110-434	Uniforms		\$118.65	146592	UNIFORMS-QUAINTANCE
E 101-42110-434	Uniforms		\$21.35	146595	UNIFORMS-HALBERG
<b>Total K.E.E.P.R.S.</b>			<b>\$217.02</b>		
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Paid Chk#	037097	9/8/2010	<b>KOCH'S HARDWARE HANK</b>		
E 101-45200-240	Small Tools and Minor Equip		\$298.03		ANGLE GRINDER/POLISHER-PARKS
E 602-49400-240	Small Tools and Minor Equip		\$39.53		PHONE-WATER
E 602-49400-217	Other Operating Supplies		\$26.15		SUPPLIES-WATER
E 101-45500-217	Other Operating Supplies		\$35.24		SUPPLIES-LIBRARY
E 101-49810-217	Other Operating Supplies		\$259.77		SUPPLIES-AIRPORT
E 101-45200-401	Repairs/Maint Buildings		\$228.41		BANDSHELL REPAIR-PARKS
E 101-45200-401	Repairs/Maint Buildings		\$23.61		REC PARK REPAIR-PARKS
E 101-43000-240	Small Tools and Minor Equip		\$44.88		CHARGER-PW
E 101-43000-215	Shop Supplies		\$72.82		SHOP SUPPLIES-PW
E 101-45200-215	Shop Supplies		\$160.18		SHOP SUPPLIES-PARKS
<b>Total KOCH'S HARDWARE HANK</b>			<b>\$1,188.62</b>		
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Paid Chk#	037098	9/8/2010	<b>LERUD, GREGORY</b>		
E 101-41310-208	Training and Travel		\$6.50		CHAMBER LUNCHEON-RITCHIE
E 101-41310-201	Accessories (paper, pens, etc)		\$50.22		FLOWERS-POCKET FUNERAL
E 101-49910-208	Training and Travel		\$88.27		OGILVIE MILEAGE-6/2-8/18
E 101-42110-240	Small Tools and Minor Equip		\$136.14		SQUAD COMPUTER EQUIP
<b>Total LERUD, GREGORY</b>			<b>\$281.13</b>		
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Paid Chk#	037099	9/8/2010	<b>METRO FIRE</b>		
E 101-42280-240	Small Tools and Minor Equip		\$61.45	38690	FACE PIECE LENS
<b>Total METRO FIRE</b>			<b>\$61.45</b>		
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Paid Chk#	037100	9/8/2010	<b>MEYER'S MILACA BTB</b>		
E 101-45200-221	Equipment Parts/Repairs		\$64.36	151-45699	FORD TRUCK PARTS-PARKS
E 101-45200-437	Other Miscellaneous		\$25.63	151-45814	SUPPLIES-PARKS
E 101-45200-215	Shop Supplies		\$12.82	151-45883	SHOP SUPPLIES-PARKS
E 101-45200-221	Equipment Parts/Repairs		\$48.32	151-46101	MOWER PARTS-PARKS
E 101-45200-221	Equipment Parts/Repairs		\$35.24	151-46113	FORD TRUCK PARTS-PARKS
<b>Total MEYER'S MILACA BTB</b>			<b>\$186.37</b>		
<hr/>					
Paid Chk#	037101	9/8/2010	<b>MILACA AUTO VALUE</b>		
E 101-42110-437	Other Miscellaneous		\$47.09	013-362169	SQUAD CLEANING SUPPLIES-POLICE
E 101-49810-217	Other Operating Supplies		\$23.32	013-362181	ENGINE CLEANER-AIRPORT
E 101-43000-221	Equipment Parts/Repairs		\$23.50	013-362875	SWEEPER PARTS-PW
E 101-43000-221	Equipment Parts/Repairs		\$27.02	013-362941	STERLING DUMP TRUCK PARTS-PW
E 603-49450-217	Other Operating Supplies		\$15.37	013-363136	SUPPLIES-SEWER
E 101-43000-215	Shop Supplies		\$130.22	013-363437	SHOP SUPPLIES-PW
<b>Total MILACA AUTO VALUE</b>			<b>\$266.52</b>		

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			Check Amt	Invoice	Comment
Paid Chk#	037102	9/8/2010	<b>MILACA BLDG CENTER</b>		
E 101-45200-215	Shop Supplies		\$18.91		SHOP SUPPLIES-PARKS
E 101-45200-240	Small Tools and Minor Equip		\$21.14		SHOVELS-PARKS
E 101-49810-217	Other Operating Supplies		\$52.08		SUPPLIES-AIRPORT
E 101-43000-215	Shop Supplies		\$19.00		SHOP SUPPLIES-PW
E 602-49400-217	Other Operating Supplies		\$10.95		SUPPLIES-WATER
E 208-49010-437	Other Miscellaneous		\$17.30		SUPPLIES-SR CTR
E 101-45200-437	Other Miscellaneous		\$685.66		TRIMBLE PARK TIMBERS
	<b>Total MILACA BLDG CENTER</b>		<b>\$825.04</b>		
Paid Chk#	037103	9/8/2010	<b>MILACA GENERAL RENTAL CENTER</b>		
E 101-45200-401	Repairs/Maint Buildings		\$104.23	18713	BANDSHELL REPAIR-PARKS
E 101-45200-437	Other Miscellaneous		\$26.72	18730	WALKWAY-PARKS
E 101-45200-437	Other Miscellaneous		\$79.63	18743	WALKWAY-PARKS
	<b>Total MILACA GENERAL RENTAL CENTER</b>		<b>\$210.58</b>		
Paid Chk#	037104	9/8/2010	<b>MILACA LAWN &amp; GARDEN</b>		
E 101-45200-240	Small Tools and Minor Equip		\$309.88	271166	TRIMMER-PARKS
E 101-43000-240	Small Tools and Minor Equip		\$22.39	273156	CHISEL-PW
	<b>Total MILACA LAWN &amp; GARDEN</b>		<b>\$332.27</b>		
Paid Chk#	037105	9/8/2010	<b>MN DEPT OF HEALTH</b>		
G 602-20810	Water Test Fee Payable		\$1,590.00	1480002 MILA	3RD QTR WATER TEST
	<b>Total MN DEPT OF HEALTH</b>		<b>\$1,590.00</b>		
Paid Chk#	037106	9/8/2010	<b>MN RURAL WATER ASSOC</b>		
E 603-49450-310	Other Professional Services		\$200.00		SEWER TELEVISIONING
	<b>Total MN RURAL WATER ASSOC</b>		<b>\$200.00</b>		
Paid Chk#	037107	9/8/2010	<b>MN VALLEY TESTING LABS</b>		
E 602-49400-310	Other Professional Services		\$51.00	510138	TESTING
	<b>Total MN VALLEY TESTING LABS</b>		<b>\$51.00</b>		
Paid Chk#	037108	9/8/2010	<b>NORTHERN SAFETY CO.</b>		
E 101-42280-217	Other Operating Supplies		\$43.08	P27843070101	MEDICAL SUPPLIES
	<b>Total NORTHERN SAFETY CO.</b>		<b>\$43.08</b>		
Paid Chk#	037109	9/8/2010	<b>PAUL D. NESLUND CONSTRUCTION</b>		
E 208-49010-310	Other Professional Services		\$150.00	628163	ROOF REPAIR - SR CTR
	<b>Total PAUL D. NESLUND CONSTRUCTION</b>		<b>\$150.00</b>		
Paid Chk#	037110	9/8/2010	<b>QUILL CORPORATION</b>		
E 101-42110-201	Accessories (paper, pens, etc)		\$108.73	7036311	SUPPLIES-POLICE
E 602-49400-201	Accessories (paper, pens, etc)		\$107.08	7188254	PRINTER TONER-WATER
E 603-49450-201	Accessories (paper, pens, etc)		\$107.07	7188254	PRINTER TONER-SEWER
E 101-41510-201	Accessories (paper, pens, etc)		\$67.34	7188254	PRINTER TONER-TREASURER
E 603-49450-201	Accessories (paper, pens, etc)		\$30.83	7250458	PRINTER TONER-SEWER
E 602-49400-201	Accessories (paper, pens, etc)		\$30.83	7250458	PRINTER TONER-WATER
E 101-49910-201	Accessories (paper, pens, etc)		\$3.20	7340563	PAPER-OGILIVIE
E 101-41940-201	Accessories (paper, pens, etc)		\$92.67	7340563	PAPER-CITY
E 603-49450-201	Accessories (paper, pens, etc)		\$27.23	7488354	RECEIPT BOOKS-SEWER
E 602-49400-201	Accessories (paper, pens, etc)		\$27.24	7488354	RECEIPT BOOKS-WATER
E 101-41940-201	Accessories (paper, pens, etc)		\$27.24	7488354	RECEIPT BOOKS-CITY
E 619-49900-201	Accessories (paper, pens, etc)		\$100.97	7623934	SUPPLIES-DEP REG
E 101-45200-215	Shop Supplies		\$67.32	7653118	TOILET PAPER-PARKS
	<b>Total QUILL CORPORATION</b>		<b>\$797.75</b>		
Paid Chk#	037111	9/8/2010	<b>ROHMAN LAWN CARE</b>		

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			Check Amt	Invoice	Comment
E 603-49450-310	Other Professional Services		\$1,149.50	17771	WEED CONTROL-PONDS
E 603-49450-310	Other Professional Services		\$1,840.00	17772	WEED CONTROL-PONDS
<b>Total ROHMAN LAWN CARE</b>			\$2,989.50		
<hr/>					
Paid Chk# 037112	9/8/2010	<b>RUSSELL HUGG CONCRETE CONSTR</b>			
E 500-49810-310	Other Professional Services		\$8,660.00		CONCRETE-AIRPORT-APRON BY FUEL BARREL
<b>total RUSSELL HUGG CONCRETE CONSTR</b>			\$8,660.00		
<hr/>					
Paid Chk# 037113	9/8/2010	<b>STIMMLER, DARRYL</b>			
E 101-43000-434	Uniforms		\$119.99		WORK BOOTS
<b>Total STIMMLER, DARRYL</b>			\$119.99		
<hr/>					
Paid Chk# 037114	9/8/2010	<b>TEALS MARKET</b>			
E 101-41410-217	Other Operating Supplies		\$6.21	004000090741	ELECTION SUPPLIES
<b>Total TEALS MARKET</b>			\$6.21		
<hr/>					
Paid Chk# 037115	9/8/2010	<b>TIMMER IMPLEMENT</b>			
E 208-49020-406	Trail Maintenance		\$276.47	275116	BUSHHOG-TRAILS
E 101-45200-437	Other Miscellaneous		\$240.47	275579	PTO SHAFT-PARKS
<b>Total TIMMER IMPLEMENT</b>			\$516.94		
<hr/>					
Paid Chk# 037116	9/8/2010	<b>U.S. BANK TRUST NAT'L ASSOC.</b>			
E 302-47000-620	Fiscal Agent's Fees		\$1,150.00	2691719	2002 CITY HALL BOND
<b>Total U.S. BANK TRUST NAT'L ASSOC.</b>			\$1,150.00		
<b>10100 General Bank</b>			\$45,723.25		

**Fund Summary**

<b>10100 General Bank</b>	
101 GENERAL FUND	\$13,935.80
208 CHARITABLE GAMBLING FUND	\$485.65
211 INITIATIVE FOUNDATION	\$550.75
302 2002 CITY HALL REVENUE BOND	\$1,150.00
407 TIF# 2-6 (APARTMENTS)	\$20.25
409 TIF# 5 (MIDDLE SCHOOL)	\$20.25
410 TIF #4-7	\$20.25
500 CAPITAL PROJECT FUND	\$13,807.00
602 WATER FUND	\$4,473.42
603 SEWER FUND	\$10,940.23
619 DEPUTY REGISTRAR FUND	\$222.65
700 BRAHAM-MILACA JOINT POWERS	\$97.00
	<hr/>
	\$45,723.25

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			Check Amt	Invoice	Comment
<b>10100 General Bank</b>					
Paid Chk#	037013	8/4/2010	<b>ALMQUIST, DANIEL</b>		
E 101-45200-310	Other Professional Services		\$150.00		BLUEGRASS FESTIVAL SVCS
	<b>Total ALMQUIST, DANIEL</b>		\$150.00		
Paid Chk#	037014	8/4/2010	<b>HILLCREST, DAYNA</b>		
E 101-45200-310	Other Professional Services		\$150.00		BLUEGRASS FESTIVAL SVCS
	<b>Total HILLCREST, DAYNA</b>		\$150.00		
Paid Chk#	037015	8/4/2010	<b>PEDERSEN, CORY</b>		
E 101-45200-310	Other Professional Services		\$100.00		BLUEGRASS FESTIVAL SVCS
	<b>Total PEDERSEN, CORY</b>		\$100.00		
Paid Chk#	037016	8/4/2010	<b>PHILIPPI, LACIE</b>		
E 101-45200-310	Other Professional Services		\$300.00		BLUEGRASS FESTIVAL SVCS
	<b>Total PHILIPPI, LACIE</b>		\$300.00		
Paid Chk#	037017	8/4/2010	<b>SHAFFER, SHERM</b>		
E 101-45200-310	Other Professional Services		\$300.00		BLUEGRASS FESTIVAL SVCS
	<b>Total SHAFFER, SHERM</b>		\$300.00		
Paid Chk#	037018	8/4/2010	<b>THE HIGH 48S</b>		
E 101-45200-310	Other Professional Services		\$800.00		BLUEGRASS FESTIVAL SVCS
	<b>Total THE HIGH 48S</b>		\$800.00		
Paid Chk#	037019	8/5/2010	<b>BERNICKS</b>		
E 101-45200-437	Other Miscellaneous		\$262.85	7057	POP FOR REC FEST
	<b>Total BERNICKS</b>		\$262.85		
Paid Chk#	037020	8/6/2010	<b>JIM'S MILLE LACS DISPOSAL</b>		
E 101-42280-384	Refuse/Garbage Disposal		\$25.00	211948	GARBAGE-FIRE
E 101-43000-384	Refuse/Garbage Disposal		\$10.00	211948	RECYCLE-DEHUMIDIFER
E 101-45200-384	Refuse/Garbage Disposal		\$70.65	211948	GARBAGE-PARKS
E 101-43000-384	Refuse/Garbage Disposal		\$125.59	211948	GARBAGE-PW
E 101-43000-312	Compost		\$600.00	211948	COMPOST
	<b>Total JIM'S MILLE LACS DISPOSAL</b>		\$831.24		
Paid Chk#	037021	8/6/2010	<b>MILACA BLDG CENTER</b>		
E 101-49810-217	Other Operating Supplies		\$163.82	3141	SUPPLIES-AIRPORT
E 101-45600-437	Other Miscellaneous		\$5.76	3141	SUPPLIES-MUSEUM
E 101-45200-215	Shop Supplies		\$18.61	3141	SHOP SUPPLIES-PARKS
E 101-45200-401	Repairs/Maint Buildings		\$24.25	3141	REPAIR BANDSHELL
E 101-45200-437	Other Miscellaneous		\$309.24	3141	TIMBERS
E 101-43000-215	Shop Supplies		\$22.56	3141	SUPPLIES-PW
	<b>Total MILACA BLDG CENTER</b>		\$544.24		
Paid Chk#	037022	8/6/2010	<b>MN PUBLIC FACILITIES AUTHORITY</b>		
E 602-49400-611	Bond Interest		\$14,461.05	050055RFY07	WATER TMT FACILITY - INTEREST
E 602-49400-601	Debt Srv Bond Principal		\$146,000.00	050055RFY07	WATER TMT FACILITY - PRINCIPAL
	<b>Total MN PUBLIC FACILITIES AUTHORITY</b>		\$160,461.05		
Paid Chk#	037023	8/6/2010	<b>MN SHERIFFS ASSOCIATION</b>		
E 101-42110-240	Small Tools and Minor Equip		\$200.00		2 IN SQUAD CAMERAS-LOCAL MATCH
	<b>Total MN SHERIFFS ASSOCIATION</b>		\$200.00		
Paid Chk#	037024	8/10/2010	<b>THE DRIVE IN</b>		
E 101-41410-217	Other Operating Supplies		\$102.95		ELECTION JUDGE MEALS
	<b>Total THE DRIVE IN</b>		\$102.95		

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			Check Amt	Invoice	Comment
Paid Chk#	037070	8/20/2010	<b>ANDERSON, CHRISTOPHER JON</b>		
E	101-45200-580	Other Equipment	\$25,500.00		2006 FORD F550 DUMP TRUCK
<b>Total ANDERSON, CHRISTOPHER JON</b>			\$25,500.00		
Paid Chk#	037071	8/25/2010	<b>BLUE CROSS BLUE SHIELD OF MINN</b>		
G	101-21706	Medical Insur.	\$10,702.00	7S034-M0 4	MEDICAL INSUR-SEPT
<b>Total BLUE CROSS BLUE SHIELD OF MINN</b>			\$10,702.00		
Paid Chk#	037072	8/25/2010	<b>L.E.L.S.</b>		
G	101-21710	Union Dues	\$196.05	LOCAL #238	POLICE UNION DUES-SEPT
<b>Total L.E.L.S.</b>			\$196.05		
Paid Chk#	037073	8/25/2010	<b>MN BENEFITS</b>		
G	101-21712	Dental	\$159.32		LIFE/DENTAL-SEPT
G	101-21709	Life Insur.	\$179.19		LIFE/DENTAL-SEPT
<b>Total MN BENEFITS</b>			\$338.51		
Paid Chk#	037074	8/25/2010	<b>USABLE LIFE</b>		
G	101-21707	Disability	\$231.65	101408001G	DISABILITY/LIFE-SEPT
<b>Total USABLE LIFE</b>			\$231.65		
Paid Chk#	037075	8/25/2010	<b>VERIZON WIRELESS</b>		
E	101-42110-321	Telephone	\$99.92		AUG WIRELESS ROUTER SVC-POLICE
E	602-49400-321	Telephone	\$43.01		AUG WIRELESS ROUTER SVC-WATER
<b>Total VERIZON WIRELESS</b>			\$142.93		
Paid Chk#	037076	8/30/2010	<b>U.S. POSTMASTER</b>		
E	603-49450-322	Postage	\$100.71		AUG BILLINGS
E	602-49400-322	Postage	\$100.72		AUG BILLINGS
<b>Total U.S. POSTMASTER</b>			\$201.43		
<b>10100 General Bank</b>			\$201,514.90		

**Fund Summary****10100 General Bank**

101 GENERAL FUND	\$40,809.41
602 WATER FUND	\$160,604.78
603 SEWER FUND	\$100.71
	<u>\$201,514.90</u>

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**10900 Liquor Bank**

<b>10900 Liquor Bank</b>			
Paid Chk# 910030E	8/15/2010	<b>MILACA, CITY OF (WATER/SEWER)</b>	
E 609-49750-381	Utilities	\$30.55	01-00015990 WATER/SEWER
<b>Total MILACA, CITY OF (WATER/SEWER)</b>		\$30.55	
<hr/>			
Paid Chk# 910031E	8/7/2010	<b>EAST CENTRAL ENERGY</b>	
E 609-49750-381	Utilities	\$2,274.16	7115200 ELECTRIC
<b>Total EAST CENTRAL ENERGY</b>		\$2,274.16	
<hr/>			
Paid Chk# 910032E	8/16/2010	<b>MN DEPT OF REVENUE</b>	
G 609-20800	Sales Tax Payable	\$16,763.00	9576201 LIQUOR SALES TAX
<b>Total MN DEPT OF REVENUE</b>		\$16,763.00	
<b>10900 Liquor Bank</b>		\$19,067.71	

**Fund Summary**

**10900 Liquor Bank**

609 MUNICIPAL LIQUOR FUND	\$19,067.71
	\$19,067.71

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Check Amt Invoice Comment

**10900 Liquor Bank**

Paid Chk#	Date	Vendor	Check Amt	Invoice	Comment
<b>AMERICAN BOTTLING CO.</b>					
Paid Chk# 021535	9/8/2010	AMERICAN BOTTLING CO.			
E 609-49750-254	Mix/Non Alcoholic		\$118.66	2462601952	NA
E 609-49750-254	Mix/Non Alcoholic		\$196.18	2462602039	NA
<b>Total AMERICAN BOTTLING CO.</b>			\$314.84		
<b>AMERIPRIDE</b>					
Paid Chk# 021536	9/8/2010	AMERIPRIDE			
E 609-49750-310	Other Professional Services		\$28.19	2200010664	RUGS
E 609-49750-310	Other Professional Services		\$64.32	2200013210	RUGS
E 609-49750-217	Other Operating Supplies		\$69.55	2200015806	PAPER TOWELS
E 609-49750-310	Other Professional Services		\$28.19	2200015806	RUGS
<b>Total AMERIPRIDE</b>			\$190.25		
<b>CRYSTAL SPRINGS ICE</b>					
Paid Chk# 021537	9/8/2010	CRYSTAL SPRINGS ICE			
E 609-49750-259	Other For Resale		\$215.20	109402	ICE
E 609-49750-259	Other For Resale		\$197.60	109500	ICE
E 609-49750-259	Other For Resale		\$207.60	109606	ICE
<b>Total CRYSTAL SPRINGS ICE</b>			\$620.40		
<b>EXTREME BEVERAGES, LLC</b>					
Paid Chk# 021538	9/8/2010	EXTREME BEVERAGES, LLC			
E 609-49750-254	Mix/Non Alcoholic		\$100.50	871262	NA
<b>Total EXTREME BEVERAGES, LLC</b>			\$100.50		
<b>FRONTIER</b>					
Paid Chk# 021539	9/8/2010	FRONTIER			
E 609-49750-321	Telephone		\$103.66	983-6255	SEPT PHONE SVE
<b>Total FRONTIER</b>			\$103.66		
<b>GRANITE CITY JOBBING</b>					
Paid Chk# 021540	9/8/2010	GRANITE CITY JOBBING			
E 609-49750-333	Freight and Express		\$4.25	653542	DELIVERY
E 609-49750-259	Other For Resale		\$28.66	653542	MISC
E 609-49750-256	Tobacco Products For Resale		\$177.00	653542	TOBACCO
E 609-49750-254	Mix/Non Alcoholic		\$4.16	654241	NA
E 609-49750-256	Tobacco Products For Resale		\$412.90	654241	TOBACCO
E 609-49750-217	Other Operating Supplies		\$17.30	654241	FLOOR CLEANER
E 609-49750-333	Freight and Express		\$4.25	654241	DELIVERY
E 609-49750-259	Other For Resale		\$22.19	654241	MISC
E 609-49750-217	Other Operating Supplies		\$8.05	654241	KIDDIE KANDY
E 609-49750-256	Tobacco Products For Resale		(\$283.55)	654974	CREDIT-TOBACCO
E 609-49750-333	Freight and Express		\$4.25	655022	DELIVERY
E 609-49750-256	Tobacco Products For Resale		\$454.00	655022	TOBACCO
<b>Total GRANITE CITY JOBBING</b>			\$853.46		
<b>M. AMUNDSON LLP</b>					
Paid Chk# 021541	9/8/2010	M. AMUNDSON LLP			
E 609-49750-259	Other For Resale		\$38.20	91881	MISC
E 609-49750-256	Tobacco Products For Resale		\$623.33	91881	TOBACCO
E 609-49750-259	Other For Resale		\$282.65	92411	MISC
E 609-49750-256	Tobacco Products For Resale		\$1,235.63	92411	TOBACCO
E 609-49750-256	Tobacco Products For Resale		\$984.16	92867	TOBACCO
E 609-49750-259	Other For Resale		\$265.55	92867	MISC
<b>Total M. AMUNDSON LLP</b>			\$3,429.52		
<b>QUILL CORPORATION</b>					
Paid Chk# 021542	9/8/2010	QUILL CORPORATION			
E 609-49750-201	Accessories (paper, pens, etc)		\$238.53	7250431	PRINTER TONER
E 609-49750-201	Accessories (paper, pens, etc)		\$61.65	7250458	PRINTER TONER
E 609-49750-201	Accessories (paper, pens, etc)		\$10.57	7623934	ADDING MACHINE TAPE
<b>Total QUILL CORPORATION</b>			\$310.75		
<b>ST. CLOUD REFRIGERATION</b>					
Paid Chk# 021543	9/8/2010	ST. CLOUD REFRIGERATION			

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			Check Amt	Invoice	Comment
E 609-49750-310	Other Professional Services		\$293.00	219106	HVAC MAINTENANCE
E 609-49750-310	Other Professional Services		\$214.00	219562	HVAC MAINTENANCE
<b>Total ST. CLOUD REFRIGERATION</b>			\$507.00		
<hr/>					
Paid Chk# 021544	9/8/2010	<b>VIKING BOTTLING CO.</b>			
E 609-49750-254	Mix/Non Alcoholic		\$193.75	25308188	NA
E 609-49750-254	Mix/Non Alcoholic		\$137.20	25308270	NA
<b>Total VIKING BOTTLING CO.</b>			\$330.95		
<hr/>					
Paid Chk# 021545	9/8/2010	<b>KOCH'S HARDWARE HANK</b>			
E 609-49750-217	Other Operating Supplies		\$50.17		STORE SUPPLIES
<b>Total KOCH'S HARDWARE HANK</b>			\$50.17		
<b>10900 Liquor Bank</b>			\$6,811.50		
<hr/>					
<b>Fund Summary</b>					
<hr/>					
<b>10900 Liquor Bank</b>					
609 MUNICIPAL LIQUOR FUND			\$6,811.50		
			\$6,811.50		

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**10900 Liquor Bank**

Paid Chk#	Date	Company	Check Amt	Invoice	Comment
<b>10900 Liquor Bank</b>					
Paid Chk# 021487	8/3/2010	<b>BELLBOY CORP.</b>			
E 609-49750-251	Liquor For Resale		\$2,512.20	53952800	LIQUOR
E 609-49750-251	Liquor For Resale		\$2,107.65	54213500	LIQUOR
E 609-49750-253	Wine For Resale		\$284.00	54213500	WINE
E 609-49750-259	Other For Resale		\$76.00	83883600	MISC
E 609-49750-254	Mix/Non Alcoholic		\$36.03	83883600	NA
	<b>Total BELLBOY CORP.</b>		<b>\$5,015.88</b>		
<b>Paid Chk# 021488 8/3/2010 BERNICKS</b>					
E 609-49750-260	Deposits		(\$60.00)	193435	DEPOSITS
E 609-49750-254	Mix/Non Alcoholic		\$8.00	50878	NA
E 609-49750-252	Beer For Resale		\$1,183.25	50879	BEER
E 609-49750-254	Mix/Non Alcoholic		\$24.00	54270	NA
E 609-49750-252	Beer For Resale		\$933.70	54271	BEER
E 609-49750-254	Mix/Non Alcoholic		\$65.75	56772	NA
E 609-49750-252	Beer For Resale		\$808.75	56773	BEER
E 609-49750-254	Mix/Non Alcoholic		\$51.90	59445	NA
E 609-49750-252	Beer For Resale		\$96.05	59446	BEER
	<b>Total BERNICKS</b>		<b>\$3,111.40</b>		
<b>Paid Chk# 021489 8/3/2010 C &amp; L DISTRIBUTING CO.</b>					
E 609-49750-254	Mix/Non Alcoholic		\$97.10	248223	NA
E 609-49750-252	Beer For Resale		\$17,214.85	248223	BEER
E 609-49750-252	Beer For Resale		\$1,008.00	248590	BEER
E 609-49750-260	Deposits		\$60.00	249259	DEPOSITS
E 609-49750-252	Beer For Resale		\$4,469.55	249259	BEER
E 609-49750-254	Mix/Non Alcoholic		\$121.00	249259	NA
E 609-49750-252	Beer For Resale		\$79.50	249628	BEER
E 609-49750-254	Mix/Non Alcoholic		(\$0.35)	249628	CREDIT
E 609-49750-254	Mix/Non Alcoholic		\$17.45	249628	NA
E 609-49750-254	Mix/Non Alcoholic		\$89.90	250299	NA
E 609-49750-252	Beer For Resale		\$3,968.85	250299	BEER
E 609-49750-260	Deposits		(\$60.00)	250299	DEPOSITS
E 609-49750-252	Beer For Resale		\$204.00	250624	BEER
E 609-49750-254	Mix/Non Alcoholic		\$136.90	251252	NA
E 609-49750-260	Deposits		\$60.00	251252	DEPOSITS
E 609-49750-252	Beer For Resale		\$3,732.60	251252	BEER
E 609-49750-260	Deposits		\$30.00	251586	DEPOSITS
E 609-49750-252	Beer For Resale		\$179.35	251586	BEER
E 609-49750-260	Deposits		(\$30.00)	252156	DEPOSITS
E 609-49750-254	Mix/Non Alcoholic		\$75.20	252156	NA
E 609-49750-252	Beer For Resale		\$11,874.50	252156	BEER
	<b>Total C &amp; L DISTRIBUTING CO.</b>		<b>\$43,328.40</b>		
<b>Paid Chk# 021490 8/3/2010 DAHLHEIMER DISTRIBUTING CO.</b>					
E 609-49750-254	Mix/Non Alcoholic		\$44.00	84737	NA
E 609-49750-260	Deposits		\$30.00	84737	DEPOSIT
E 609-49750-254	Mix/Non Alcoholic		\$198.00	84789	NA
E 609-49750-252	Beer For Resale		\$10,035.90	84789	BEER
E 609-49750-254	Mix/Non Alcoholic		\$84.00	85587	NA
E 609-49750-252	Beer For Resale		\$6,155.20	85587	BEER
E 609-49750-260	Deposits		(\$60.00)	85587	DEPOSITS
E 609-49750-252	Beer For Resale		\$5,136.65	86412	BEER
E 609-49750-254	Mix/Non Alcoholic		\$37.45	86412	NA
E 609-49750-252	Beer For Resale		\$702.00	86450	BEER
E 609-49750-254	Mix/Non Alcoholic		\$34.00	86450	NA

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			Check Amt	Invoice	Comment
E 609-49750-252	Beer For Resale		\$5,045.05	87199	BEER
E 609-49750-254	Mix/Non Alcoholic		\$27.20	87199	NA
E 609-49750-252	Beer For Resale		\$966.50	87437	BEER
<b>Total DAHLHEIMER DISTRIBUTING CO.</b>			\$28,435.95		
<hr/>					
Paid Chk#	021491	8/3/2010	<b>DANIMAL DISTRIBUTING INC</b>		
E 609-49750-254	Mix/Non Alcoholic		\$10.62	125818	NA
E 609-49750-254	Mix/Non Alcoholic		\$28.80	7131080	NA
E 609-49750-252	Beer For Resale		\$556.80	7131080	BEER
<b>Total DANIMAL DISTRIBUTING INC</b>			\$596.22		
<hr/>					
Paid Chk#	021492	8/3/2010	<b>FIELDSTONE VINEYARDS</b>		
E 609-49750-252	Beer For Resale		\$140.40	10301	WINE
<b>Total FIELDSTONE VINEYARDS</b>			\$140.40		
<hr/>					
Paid Chk#	021493	8/3/2010	<b>HANSEN, TROY</b>		
E 609-49750-310	Other Professional Services		\$490.00	2558	WOOD SIGN HOLDERS FOR WINE RACKS
<b>Total HANSEN, TROY</b>			\$490.00		
<hr/>					
Paid Chk#	021494	8/3/2010	<b>J.J. TAYLOR DIST OF MN</b>		
E 609-49750-252	Beer For Resale		\$839.35	991152	BEER
E 609-49750-333	Freight and Express		\$3.00	991152	DELIVERY
<b>Total J.J. TAYLOR DIST OF MN</b>			\$842.35		
<hr/>					
Paid Chk#	021495	8/3/2010	<b>JIM'S MILLE LACS DISPOSAL</b>		
E 609-49750-384	Refuse/Garbage Disposal		\$81.90	219225	REFUSE COLLECTION
<b>Total JIM'S MILLE LACS DISPOSAL</b>			\$81.90		
<hr/>					
Paid Chk#	021496	8/3/2010	<b>JOHNSON BROTHERS LIQUOR CO.</b>		
E 609-49750-253	Wine For Resale		\$699.44	1862659	WINE
E 609-49750-251	Liquor For Resale		\$3,808.56	1862659	LIQUOR
E 609-49750-333	Freight and Express		\$72.90	1862659	DELIVERY
E 609-49750-254	Mix/Non Alcoholic		\$108.00	1866597	NA
E 609-49750-251	Liquor For Resale		\$1,526.50	1866597	LIQUOR
E 609-49750-333	Freight and Express		\$51.42	1866597	DELIVERY
E 609-49750-253	Wine For Resale		\$377.76	1866597	WINE
E 609-49750-253	Wine For Resale		\$143.92	1866598	WINE
E 609-49750-333	Freight and Express		\$14.13	1866598	DELIVERY
E 609-49750-253	Wine For Resale		\$183.00	1871072	WINE
E 609-49750-251	Liquor For Resale		\$1,222.88	1871072	LIQUOR
E 609-49750-333	Freight and Express		\$32.71	1871072	DELIVERY
E 609-49750-253	Wine For Resale		\$72.15	1871073	WINE
E 609-49750-333	Freight and Express		\$4.71	1871073	DELIVERY
E 609-49750-254	Mix/Non Alcoholic		\$28.35	1875701	NA
E 609-49750-253	Wine For Resale		\$1,149.99	1875701	WINE
E 609-49750-251	Liquor For Resale		\$1,056.24	1875701	LIQUOR
E 609-49750-333	Freight and Express		\$63.06	1875701	DELIVERY
E 609-49750-253	Wine For Resale		\$590.09	1880016	WINE
E 609-49750-254	Mix/Non Alcoholic		\$28.00	1880016	NA
E 609-49750-333	Freight and Express		\$53.25	1880016	DELIVERY
E 609-49750-251	Liquor For Resale		\$1,095.40	1880016	LIQUOR
E 609-49750-253	Wine For Resale		\$157.20	1880462	WINE
E 609-49750-251	Liquor For Resale		(\$509.37)	463218	CREDIT
<b>Total JOHNSON BROTHERS LIQUOR CO.</b>			\$12,030.29		
<hr/>					
Paid Chk#	021497	8/3/2010	<b>PAUSTIS &amp; SONS</b>		
E 609-49750-333	Freight and Express		\$7.00	8265805	DELIVERY
E 609-49750-253	Wine For Resale		\$272.00	8265805	WINE

**\*Check Detail Register©**

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			Check Amt	Invoice	Comment
E 609-49750-253	Wine For Resale		(\$79.00)	8266168	CREDIT
E 609-49750-333	Freight and Express		(\$1.75)	8266168	CREDIT
E 609-49750-253	Wine For Resale		\$319.00	8268948	WINE
E 609-49750-333	Freight and Express		\$10.50	8268948	DELIVERY
<b>Total PAUSTIS &amp; SONS</b>			<b>\$527.75</b>		
<hr/>					
Paid Chk#	021498	8/3/2010	<b>PHILLIPS WINE AND SPIRITS</b>		
E 609-49750-253	Wine For Resale		\$68.00	2833046	WINE
E 609-49750-333	Freight and Express		\$14.00	2930375	DELIVERY
E 609-49750-251	Liquor For Resale		\$1,047.91	2930375	LIQUOR
E 609-49750-251	Liquor For Resale		\$602.25	2933046	LIQUOR
E 609-49750-333	Freight and Express		\$14.13	2933046	DELIVERY
E 609-49750-333	Freight and Express		\$43.04	2936075	DELIVERY
E 609-49750-251	Liquor For Resale		\$2,549.89	2936075	LIQUOR
E 609-49750-253	Wine For Resale		\$400.00	2936075	WINE
E 609-49750-253	Wine For Resale		\$236.15	2939324	WINE
E 609-49750-251	Liquor For Resale		\$2,363.56	2939324	LIQUOR
E 609-49750-333	Freight and Express		\$36.11	2939324	DELIVERY
E 609-49750-333	Freight and Express		\$29.83	2942333	DELIVERY
E 609-49750-253	Wine For Resale		\$50.00	2942333	WINE
E 609-49750-251	Liquor For Resale		\$1,759.24	2942333	LIQUOR
<b>Total PHILLIPS WINE AND SPIRITS</b>			<b>\$9,214.11</b>		
<hr/>					
Paid Chk#	021499	8/3/2010	<b>ROHLFING OF BRAINERD, INC</b>		
E 609-49750-252	Beer For Resale		\$832.70	730195	BEER
E 609-49750-217	Other Operating Supplies		(\$19.75)	730325	CREDIT
<b>Total ROHLFING OF BRAINERD, INC</b>			<b>\$812.95</b>		
<hr/>					
Paid Chk#	021500	8/3/2010	<b>SUNNY HILL DISTRIBUTORS</b>		
E 609-49750-333	Freight and Express		\$10.45	227963	DELIVERY
E 609-49750-253	Wine For Resale		\$369.30	227963	WINE
E 609-49750-333	Freight and Express		\$8.55	228895	DELIVERY
E 609-49750-253	Wine For Resale		\$266.59	228895	WINE
<b>Total SUNNY HILL DISTRIBUTORS</b>			<b>\$654.89</b>		
<hr/>					
Paid Chk#	021501	8/3/2010	<b>VINOCOPIA</b>		
E 609-49750-253	Wine For Resale		\$104.00	27456	WINE
E 609-49750-254	Mix/Non Alcoholic		\$99.75	28066	NA
E 609-49750-333	Freight and Express		\$12.00	28066	DELIVERY
<b>Total VINOCOPIA</b>			<b>\$215.75</b>		
<hr/>					
Paid Chk#	021502	8/3/2010	<b>WINE MERCHANTS</b>		
E 609-49750-333	Freight and Express		\$1.57	324713	DELIVERY
E 609-49750-253	Wine For Resale		\$95.25	324713	WINE
<b>Total WINE MERCHANTS</b>			<b>\$96.82</b>		
<hr/>					
Paid Chk#	021503	8/3/2010	<b>WIRTZ BEVERAGE MN WINE &amp; SPRTS</b>		
E 609-49750-333	Freight and Express		\$6.00	424871	DELIVERY
E 609-49750-251	Liquor For Resale		\$381.25	424871	LIQUOR
E 609-49750-253	Wine For Resale		\$81.90	424872	WINE
E 609-49750-254	Mix/Non Alcoholic		\$39.95	424872	NA
E 609-49750-333	Freight and Express		\$4.50	424872	DELIVERY
E 609-49750-251	Liquor For Resale		\$520.50	427716	LIQUOR
E 609-49750-333	Freight and Express		\$7.50	427716	DELIVERY
E 609-49750-251	Liquor For Resale		\$1,896.80	428041	LIQUOR
E 609-49750-333	Freight and Express		\$25.50	428041	DELIVERY
E 609-49750-333	Freight and Express		\$3.00	433915	DELIVERY
E 609-49750-251	Liquor For Resale		\$2,662.17	434215	LIQUOR

**\*Check Detail Register©**

**AUGUST 2010**

	<b>Check Amt</b>	<b>Invoice</b>	<b>Comment</b>
E 609-49750-254 Mix/Non Alcoholic	\$80.85	434215	NA
E 609-49750-333 Freight and Express	\$37.50	434215	DELIVERY
E 609-49750-253 Wine For Resale	\$123.85	434772	WINE
<b>otal WIRTZ BEVERAGE MN WINE &amp; SPRTS</b>	<b>\$5,871.27</b>		
<b>10900 Liquor Bank</b>	<b>\$111,466.33</b>		

**Fund Summary**

<b>10900 Liquor Bank</b>	
609 MUNICIPAL LIQUOR FUND	\$111,466.33
	<b>\$111,466.33</b>

**CITY OF MILACA**  
**Council Monthly Budget Report**  
August 2010

<b>DEPT Descr</b>	<b>2010 YTD Budget</b>	<b>2010 YTD Amt</b>	<b>Balance</b>	<b>2010 % of Budget Remain</b>
Airport	\$74,750.00	\$50,946.58	\$23,803.42	31.84%
Assessing	\$12,800.00	\$0.00	\$12,800.00	100.00%
Auditing	\$13,000.00	\$11,245.00	\$1,755.00	13.50%
City Attorney	\$49,000.00	\$32,209.06	\$16,790.94	34.27%
City Hall	\$214,630.00	\$152,916.00	\$61,714.00	28.75%
City Manager	\$24,700.00	\$16,324.74	\$8,375.26	33.91%
Council	\$12,250.00	\$4,237.03	\$8,012.97	65.41%
Elections	\$2,000.00	\$109.16	\$1,890.84	94.54%
Fire Dept.	\$187,940.00	\$98,187.47	\$89,752.53	47.76%
Historical Society	\$5,000.00	\$1,583.70	\$3,416.30	68.33%
Liaison Officer	\$56,965.00	\$31,703.32	\$25,261.68	44.35%
Libraries	\$20,225.00	\$14,863.03	\$5,361.97	26.51%
Ogilvie	\$17,425.00	\$6,452.48	\$10,972.52	62.97%
Parks	\$158,975.00	\$111,883.26	\$47,091.74	29.62%
Planning Comm.	\$2,000.00	\$0.00	\$2,000.00	100.00%
Police Dept.	\$396,400.00	\$256,616.10	\$139,783.90	35.26%
Public Works	\$204,900.00	\$86,882.39	\$118,017.61	57.60%
Recreation	\$2,000.00	\$1,290.52	\$709.48	35.47%
Treasurer	\$27,870.00	\$19,578.41	\$8,291.59	29.75%
Unallocated	\$5,580.00	\$3,895.88	\$1,684.12	30.18%
	\$1,488,410.00	\$900,924.13	\$587,485.87	39.47%

RESOLUTION NO. 10 – 32  
CERTIFICATION RESOLUTION FOR DNR GRANT

WHEREAS, the City of Milaca supports the grant application made to the Minnesota Department of Natural Resources for the State of Minnesota Bonding project to replace the pedestrian walking bridge in Rec Park. The City of Milaca will act as the legal sponsor for the application made to the Department of Natural Resources for the State bonding appropriation. The project is to remove and replace the existing pedestrian walking bridge across the Rum River in Rec Park, Milaca; and,

WHEREAS, the City of Milaca recognizes that there is no local commitment required to obtain the appropriation, but the City and others plan to contribute financially to cover the costs not paid for through the State appropriation;

NOW THEREFORE BE IT RESOLVED, the City of Milaca agrees to accept the appropriation award from the MN Department of Natural Resources, and may enter into an agreement with the State of Minnesota for the above-referenced project. The City of Milaca will comply with all applicable laws, environmental requirements and regulations as stated in the contract, and

BE IT FURTHER RESOLVED, the City Council of the City of Milaca names the fiscal agent for the City of Milaca for this project as:

Greg Lerud  
Milaca City Manager  
255 First Street East  
Milaca, MN 56353

BE IT FURTHER RESOLVED, the Milaca City Council hereby assures the pedestrian walking bridge will be maintained for a period of no less than 20 years.

Adopted this \_\_\_\_ day of September, 2010.

\_\_\_\_\_  
Mayor Harold Pedersen

ATTEST

\_\_\_\_\_  
Greg Lerud, City Manager

There is concern about the awning at the senior center and how it is mounted to the parapet wall. I have an estimate of \$2,500 to remove and dispose of the existing awning and sign, redo the electric lights, and install a fabric awning. There is a sufficient reserve in the fund we use to support the senior center.

RESOLUTION NO. 10 – 31

RESOLUTION APPROVING THE PURCHASE BY THE CITY OF MILACA  
OF CERTAIN REAL PROPERTY LEGALLY DESCRIBED AS A TRACT  
OF LAND LOCATED IN THE NORTHWEST QUARTER OF  
THE NORTHEAST QUARTER OF SECTION 36, TOWNSHIP 38, RANGE 27  
LYING BETWEEN OUTLOT E FLINKS SECOND ADDITION  
AND 3<sup>RD</sup> AVENUE SE AND 6<sup>TH</sup> STREET SE, EXCEPT  
THE SOUTH 126.2 FEET OF LOT 1, BLOCK 15 FLINKS ADDITION  
AND OUTLOT E FLINKS SECOND ADDITION,  
MILLE LACS COUNTY, MINNESOTA,  
COMMONLY KNOWN AS  
540 THIRD AVENUE SE, MILACA, MINNESOTA

WHEREAS, the State of Minnesota owns the above described real estate, the same having been forfeited for non-payment of real estate taxes and has designated the County of Mille Lacs to act as its Agent in selling or transferring said real property; and

WHEREAS, the City of Milaca desires to execute a Purchase Agreement to acquire the subject real estate for payment of one dollar and no other consideration, to remove the existing structure and to then obtain a sale of the vacant land with any net proceeds of such sale after payment of costs incurred by the City of Milaca to be paid to Mille Lacs County.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILACA that the parcel of land described herein be purchased from the State of Minnesota and later sold as provided in the Purchase Agreement prepared by the attorney for the City of Milaca including the Addendum thereto.

Adopted this 8<sup>th</sup> day of September, 2010.

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Mayor Harold Pedersen

ATTEST:

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Greg Lerud, City Manager

# MINNESOTA STANDARD RESIDENTIAL PURCHASE AGREEMENT

© Copyright 1996, 1997, 2002, 2006, 2007, 2008 Minnesota State Bar Association, Minneapolis, Minnesota.  
BEFORE YOU USE OR SIGN THIS CONTRACT, YOU SHOULD CONSULT WITH A LAWYER TO DETERMINE THAT THIS CONTRACT ADEQUATELY PROTECTS YOUR LEGAL RIGHTS. Minnesota State Bar Association disclaims any liability arising out of use of this form.

1. PARTIES. This Purchase Agreement is made on \_\_\_\_\_, by and between  
\_\_\_\_\_  
(marital status) State of Minnesota  
of [seller's address] \_\_\_\_\_, SELLER, and  
\_\_\_\_\_  
as joint tenants [strike "joint tenants" if tenancy-in-common is intended] of [buyer's address] City of Milaca  
a Minnesota Statutory City \_\_\_\_\_, BUYER.

2. OFFER/ACCEPTANCE. Buyer offers to purchase and Seller agrees to sell real property legally described as:

A certain tract in the Northwest Quarter of the Northeast Quarter of \_\_\_\_\_  
lying between Outlot E Flinks Second Addition and 3rd Avenue SE and 6th Street SE, EXCEPT the South  
126.2 feet of Lot 1, Block 16 Flinks Addition and Outlot E Flinks Second Addition

[Property Tax Identification Number or Tax Parcel Number 21-036-2600

located at 640 Third Avenue SE \_\_\_\_\_, City of Milaca  
County of \_\_\_\_\_, State of Minnesota, Zip Code \_\_\_\_\_.

3. ACCEPTANCE DEADLINE. The acceptance date of this Purchase Agreement is the date it is delivered by the last party signing to the other party.  
This offer to purchase, unless accepted sooner, shall be void at 11:59 A.M., on [date] July 30, 2010, and in such event all earnest money shall be refunded to Buyer.

4. FIXTURES AND PERSONAL PROPERTY. For the purposes of this Purchase Agreement, "fixtures" are items that are embedded in the land or attached to the building(s) and cannot be removed without damage to the real property. The method by which the fixture is "attached" could be screws, nails, adhesives, or any other mechanical connection which shows Seller's intent to make the item a relatively permanent part of the real estate. Examples of fixtures are doors and cabinets. "Personal property" includes items that are not attached to the building(s) or embedded in the land and that are removable without damage to the real property. Examples of personal property are free-standing (not "built in") appliances and furniture. Buyer and Seller should consider carefully the fixtures and personal property to be included in the sale. For example, a mirror attached to a wall by screws or nails is a fixture, while a mirror hung from a nail or picture hanger is personal property.

A. FIXTURES INCLUDED IN THE SALE. Title to fixtures passes to Buyer with the deed. All fixtures except those excluded at B., below, are included in this sale such as: garden bulbs, plants, shrubs, trees, landscaping, storm windows and inserts, storm doors and inserts, screens, awnings, window shades, blinds, curtain-traverse-drapery rods, mirrors, door mirrors, cabinets, counter tops, doors, door hardware, mantels, woodwork, attached lighting fixtures with bulbs, electrical wiring, electric outlets, electric switches, electric outlet plates and switch plates, all plumbing and piping, plumbing fixtures, sump pumps, water heaters, heating systems, heating stoves, fireplace inserts, fireplace doors and screens, built-in humidifiers, built-in air conditioning units, built-in electronic air filters, automatic garage door openers with controls, television antennas, satellite dishes, water softeners, built-in dishwashers, garbage disposals, built-in trash compactors, built-in ovens and cooking stoves, hood-fans, intercoms, installed carpeting, built-in work benches, security systems, fences, retaining walls, kennels, gates, survey monuments, culverts, sheds, gazebos, trellises, underground irrigation systems, weathervanes, lightning rods, flagpoles, light poles and lights, outdoor statuary, pumps, mail boxes, mail box posts, and newspaper boxes.

B. FIXTURES EXCLUDED FROM THE SALE. The following fixtures are excluded from this sale and will be removed by Seller prior to closing:

NONE

Any damage to the real property that occurs in Seller's removal of these fixtures will be repaired by Seller prior to closing.  
The following excluded and removed fixtures will be replaced by Seller with a functional equivalent:

At closing or prior to closing, Seller shall provide for payment of, satisfaction of, or release of any existing liens, claims, or encumbrances on the fixtures, except for the following encumbrances which Buyer accepts or assumes [list here]:

C. PERSONAL PROPERTY. Any personal property to be purchased by Buyer is listed on the attached Personal Property Agreement.

5. PRICE AND TERMS. The price for the real property is  
One Dollar Plus Additional Sums as Hereinafter Provided \_\_\_\_\_ Dollars (\$ 1.00 ),  
which Buyer shall pay as follows:

Earnest money of \$ -0- by [CASH, CHECK, NOTE - state which] \_\_\_\_\_ payable to [select one]

- Seller, to be deposited and held by Seller (and may be commingled with Seller's other funds) pending closing,
- Seller's lawyer, to be deposited and held in the lawyer's trust account pending closing,
- Seller's broker, to be deposited or held by broker according to the requirements of Minnesota Statutes,
- Other (describe how the earnest money will be held)

receipt of which is hereby acknowledged and \$ 1.00 cash, on \_\_\_\_\_, the DATE OF CLOSING,  
and the balance of \$ \_\_\_\_\_ by financing as shown on the attached Financing Addendum.

6. DEED / MARKETABLE TITLE.

State of Minnesota Conveyance Deed

A. Upon performance by Buyer, Seller shall execute and deliver a \_\_\_\_\_ Warranty Deed, joined in by spouse, if any,  
conveying good and marketable title of record, subject to the following Title Exceptions:

- (1) Building and zoning laws, ordinances, state and federal regulations; and
- (2) The lien of real property taxes and the lien of special assessments and interest due thereon, if any, payable in the year of closing which by the terms of this Purchase Agreement are to be paid or assumed by Buyer.

B. Seller proposes to Buyer that Seller's good and marketable title will be delivered to Buyer at closing subject to the following title issues:

[Check (1), if applicable:]

- (1)  Encumbrances, easements, covenants, conditions, restrictions, a declaration (without an association), and reservation of mineral rights by the State of Minnesota, as disclosed in M.S.B.A. Real Property Form No. 10, ADDENDUM TO PURCHASE AGREEMENT - TITLE ISSUES (2006), attached as a part of this Purchase Agreement.

[Check (2), if applicable:]

(2)  A Declaration of covenants, conditions, and restrictions with an association in a planned community, condominium, or other common interest ownership community, as disclosed in M.S.B.A. Real Property Form No. 12, ADDENDUM TO PURCHASE AGREEMENT: COMMON INTEREST COMMUNITY attached as a part of this Purchase Agreement.

[Check (3), if applicable:]

(3)  The rights of tenants or other parties in possession, as disclosed in M.S.B.A. Real Property Form No. 20, ADDENDUM TO PURCHASE AGREEMENT: TENANTS AND PARTIES IN POSSESSION (2006) attached as a part of this Purchase Agreement.

Although Seller has disclosed these title issues and Buyer has indicated a general willingness to take title subject to these title issues, these title issues are subject to the other provisions of the Purchase Agreement and to an examination of title based upon the Minnesota Title Standards and upon Minnesota law.

Buyer also reserves the right to evaluate these title issues in the light of Buyer's intended use and enjoyment of the property. Buyer shall have until the end of the period for stating Title Objections under Paragraph 14., of this Purchase Agreement to make the evaluation and determine if these title issues will affect Buyer's intended use and enjoyment of the property. Except for matters disclosed under B.(2), above, and governed by the statutory remedies referenced in M.S.B.A. Real Property Form No. 12, ADDENDUM TO PURCHASE AGREEMENT: COMMON INTEREST COMMUNITY, if Buyer, in Buyer's sole discretion, determines that these title issues will adversely affect Buyer's intended use and enjoyment of the property, Buyer may declare this Purchase Agreement void by notice to Seller, neither party shall be liable for damages hereunder to the other, and earnest money shall be refunded to Buyer. If the period for stating Title Objections under Paragraph 14., passes without Buyer's declaring that these title issues will adversely affect Buyer's intended use and enjoyment of the property, then, subject to Seller's covenant to deliver a good and marketable title of record, Buyer shall take title subject to these title issues. [Seller should consider full disclosure of all title issues to Buyer in this Purchase Agreement or in addenda to this Purchase Agreement. Full disclosure as to the substance of title issues allows Buyer an early opportunity to ensure that this is the right property for Buyer and to measure the impact on the Buyer's intended use or potential enjoyment of the property. In other words, Buyer's consent to take title subject to the existence of title issues must be a fully informed consent. If Buyer is fully informed early, it is less likely that Buyer will elect to void the Agreement.]

7. REAL ESTATE TAXES AND SPECIAL ASSESSMENTS. \*\* SEE ADDENDUM ATTACHED HERETO \*\*

A. Prior Years' Delinquent Real Estate Taxes and Delinquent Special Assessments—Delinquent real estate taxes payable in years prior to the year of closing and delinquent installments of special assessments certified for collection with real estate taxes payable in years prior to the year of closing, together with penalty, interest and costs, shall be paid by Seller not later than the actual date of closing.

B. Real Estate Taxes Payable in the Year of Closing. Real estate taxes payable in the year of closing shall [select from (1) or (2)]:

- (1) Be prorated between Seller and Buyer [select (a) or (b)]:
- (a) On a calendar year basis to the actual date of closing;
  - (b) As follows: Seller \_\_\_\_\_%; Buyer \_\_\_\_\_%; adjusted between Seller and Buyer at closing, and paid to the county at closing if then due and Buyer shall assume installments not paid at closing.
- (2) Not be prorated and the entire year's taxes shall be [select (a) or (b)]:
- (a) Paid by Seller when due, but not later than closing,
  - (b) Assumed by Buyer, to be paid when due and not later than closing if due prior to closing, and Buyer shall reimburse Seller at closing for any installments paid by Seller prior to closing.

Seller shall pay penalty, interest and costs on any delinquent installment of taxes and special assessments payable in the year of closing. If closing is delayed to a later year, real estate taxes payable in the year of closing shall be prorated between Seller and Buyer on a calendar year basis to the actual date of closing.

C. Tax Statements. If tax statements for taxes payable in the year of closing are not available on the Date of Closing, the amount to be used for closing purposes shall be \_\_\_\_\_% of the prior year's taxes, and such amount shall be [select one]  FULL AND FINAL BETWEEN SELLER AND BUYER  ADJUSTED UPON RECEIPT OF TAX STATEMENTS FOR SUCH YEAR (in which case the party obligated to pay the adjustment shall pay it to the other party within 30 days of issuance of the tax statements).

D. Homestead Classification. Seller represents that, as of the date of this Agreement, the property tax classification is [strike one] homestead / nonhomestead. If the property is nonhomestead, Buyer may change the tax classification for taxes payable in the year following closing by taking possession of the real property as Buyer's homestead and filing a new homestead declaration within the time required by law. If the property tax classification in the year of closing is not homestead, Seller shall pay to Buyer at closing [select one]

the difference (on Buyer's portion of the taxes) between the taxes in the actual classification and the taxes that would have been payable under homestead classification.

If the property tax classification for taxes payable in the year following closing is not homestead and, through no fault of Buyer, the closing takes place after the date by which Buyer must take possession of the real property as Buyer's homestead to file for homestead tax status for taxes payable in such year, Seller shall pay to Buyer at closing [select one]

the difference (on Buyer's portion of the taxes) between the taxes in the actual classification and the taxes that would have been payable under homestead classification.

[If Buyer intends to claim the property as Buyer's homestead, Buyer should file Buyer's homestead declaration as soon as possible after taking possession and occupancy of the property.]

E. Deferred Real Estate Taxes. [select one:]  BUYER  SELLER shall pay on date of closing or provide for payment of any deferred real estate taxes (including "Green Acres" taxes under Minnesota Statutes Section 273.111) payment of which is required as a result of the closing of this sale or the recording of the Deed or Contract for Deed. Provision for payment shall be by payment into escrow of 1.5 times the estimated amount of the assessor's reassessment for deferred taxes.

F. Valuation Exclusions from Assessed Value. Seller warrants and represents that the property [select one:]  does  does not have an exclusion from estimated market value for certain home improvements pursuant to Minnesota Statutes Section 273.11, Subd. 16 (1997). Such exclusion expires on the sale of the property and will cause the assessed value of the property to increase for property tax purposes. The increase in assessed value will cause the property taxes to increase and might make the property unaffordable for Buyer. If Seller represents that the property does not have an exclusion and an exclusion is discovered prior to closing, Buyer may, at Buyer's option:

- (1) Assume payment of the increased property taxes without adjustment to the purchase price of the real property;
- (2) Require that the price of the property be reduced by the estimated increase in property taxes over the three calendar years following the year of closing (such estimated increase shall be obtained from the county assessor or city assessor); or
- (3) Rescind this Agreement, in which case all earnest money shall be refunded to Buyer.

If the exclusion is not discovered until after closing, Seller shall be liable to Buyer for liquidated damages in the amount that is five times the estimated increase in real estate taxes based on the reassessed value provided that any notice of a claim of breach of warranty must be in writing and must be given by Buyer to Seller within one year of the Date of Closing or be deemed waived. The provisions of this Paragraph F., shall survive the delivery of the Deed or Contract for Deed.

G. Certified Special Assessments. All installments of special assessments certified for payment with the real estate taxes payable in the year of closing shall be [select one]:

- Prorated between Seller and Buyer on a calendar year basis to the actual date of closing, adjusted at closing, and unless otherwise provided in this Purchase Agreement, shall be paid at closing
- Paid by Buyer at closing
- Paid by Seller at closing
- Assumed by Buyer.

H. Pending Special Assessments. [select one:]  BUYER SHALL ASSUME PAYMENT OF  SELLER SHALL PROVIDE FOR PAYMENT OF special assessments pending as of the date of this Purchase Agreement for improvements that have been ordered by the City Council or other

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~~governmental assessing authorities. (Seller's provision for payment shall be by payment into escrow of 1.5 times the estimated amount of the assessments.) As of the date of this Purchase Agreement, Seller represents that Seller has not received a Notice of Hearing of a new public improvement project from any governmental assessing authority, the costs of which project may be assessed against the real property. If a special assessment becomes pending after the date of this Purchase Agreement and before the Date of Closing, Buyer may, at Buyer's option:~~

- ~~(1) Assume payment of the pending special assessment without adjustment to the purchase price of the real property; or  
(2) Require Seller to pay the pending special assessment (or escrow for payment of same as provided above) and Buyer shall pay a commensurate increase in the purchase price of the real property, which increase shall be the same as the estimated amount of the assessment; or,  
(3) Rescind this Agreement, in which case all earnest money shall be refunded to Buyer.~~

~~I. Deferred Special Assessments. [select one:]  BUYER /  SELLER shall pay on date of closing or provide for payment of any deferred special assessments payment of which is required as a result of the closing of this sale or the recording/filing of the Deed or Contract for Deed. Provision for payment shall be by payment into escrow of 1.5 times the estimated amount of the deferred special assessments.~~

~~J. All Other Levied Special Assessments. [select one:]  BUYER SHALL ASSUME PAYMENT OF /  SELLER SHALL PAY ON DATE OF CLOSING all other special assessments levied as of the date of this Purchase Agreement, except deferred special assessments (covered at Paragraph 7.I., above).~~

~~K. Taxes and Special Assessments in the Years Following Closing. Buyer shall pay real estate taxes payable in the years following closing and special assessments payable thereon, the payment of which is not otherwise provided herein. Seller makes no representation concerning the amount of future real estate taxes or of future special assessments.~~

~~8. DAMAGES TO REAL PROPERTY. Until completion of closing and delivery of possession, all risk of loss is on Seller. If the real property is damaged prior to closing, Seller shall give notice to Buyer within 3 business days after such damage has occurred. The notice shall include Seller's proposal for repairing the damage. From the date that Buyer receives Seller's notice, Buyer shall have 3 business days to inspect the real property, and an additional 2 business days to determine if the damages and Seller's proposal for repairs are acceptable to Buyer. If Buyer does not accept Seller's proposal for repairs within the 2 day period, this Agreement is cancelled and the earnest money shall be refunded to Buyer.~~

~~9. SELLER'S BOUNDARY LINE, ACCESS, RESTRICTIONS AND LIEN WARRANTIES. Seller warrants that buildings, if any, are entirely within the boundary lines of the real property. Seller warrants that there is a right of access to the real property from a public right of way. Seller warrants that there has been no labor or material furnished to the real property for which payment has not been made. Seller warrants that there are no present violations of any restrictions relating to the use or improvement of the real property. Seller warrants that the real property is not subject to a lien for medical assistance or other public assistance. These warranties shall survive the delivery of the Deed or Contract for Deed.~~

~~10. CONDITION OF THE REAL PROPERTY.~~

~~A. Statutory Disclosure. Pursuant to Minnesota Statutes Sections 513.52 - 513.60, Seller must provide a written disclosure [see (1) below], or Buyer must have received an inspection report [see (2) below], or Buyer and Seller may waive the written disclosure requirements [see (3) below].~~

~~Minnesota Statutes Section 513.57, Subd. 2. LIABILITY. A seller who fails to make a disclosure as required by sections 513.52 to 513.60 and was aware of material facts pertaining to the real property is liable to the prospective buyer. A person injured by a violation of this section may bring a civil action and recover damages and receive other equitable relief as determined by the court. An action under this subdivision must be commenced within two years after the date on which the prospective buyer closed the purchase or transfer of the real property.~~

~~[Select only one of these three:]~~

~~(1) Seller's Disclosure. Seller has provided a written disclosure to Buyer. A copy of Seller's disclosure is attached. Seller shall correct in writing any inaccuracies in the disclosure as soon as reasonably possible before closing.~~

~~Minnesota Statutes Section 513.55. GENERAL DISCLOSURE REQUIREMENTS.~~

~~Subdivision 1. CONTENTS.~~

~~(a) Before signing an agreement to sell or transfer residential real property, the seller shall make a written disclosure to the prospective buyer. The disclosures must include all material facts of which the seller is aware that could adversely and significantly affect:~~

- ~~(1) an ordinary buyer's use and enjoyment of the property; or,  
(2) any intended use of the property of which the seller is aware.~~

~~(b) The disclosure must be made in good faith and based upon the best of the seller's knowledge at the time of the disclosure.~~

~~Minnesota Statutes Section 513.58. AMENDMENT TO DISCLOSURE.~~

~~Subdivision 1. NOTICE. A seller must notify the prospective buyer in writing as soon as reasonably possible, but in any event before closing, if the seller learns that the seller's disclosure required by Section 513.55 was inaccurate.~~

~~Subdivision 2. FAILURE TO NOTIFY; LIABILITY. A seller who fails to notify the prospective buyer of any amendments to the initial disclosure required under subdivision 1 is liable to the prospective buyer as provided in Section 513.57.~~

~~(2) Inspection Report. Buyer has received an inspection report by a qualified third-party. If a copy of the inspection report is provided to Seller, Seller shall disclose to Buyer material facts known to Seller that contradict any information in the inspection report.~~

~~Minnesota Statutes Section 513.56 Subd. 3. INSPECTIONS.~~

~~(a) Except as provided in paragraph (b), a seller is not required to disclose information relating to the real property if a written report that discloses the information has been prepared by a qualified third party and provided to the prospective buyer. For purposes of this paragraph, "qualified third party" means a federal, state, or local governmental agency, or any person whom the seller, or prospective buyer, reasonably believes has the expertise necessary to meet the industry standards of practice for the type of inspection or investigation that has been conducted by the third party in order to prepare the written report.~~

~~(b) A seller shall disclose to the prospective buyer material facts known by the seller that contradict any information included in a written report under paragraph (a) if a copy of the report is provided to the seller.~~

~~(3) Waiver of Disclosure.~~

~~Minnesota Statutes Section 513.60. WAIVER. The written disclosure required under Sections 513.52 to 513.60 may be waived if the seller and the prospective buyer agree in writing. Waiver of the disclosure required under Sections 513.52 to 513.60 does not waive, limit, or abridge any obligation for seller disclosure created by any other law.~~

~~Seller and Buyer waive the written disclosure required under Sections 513.52 to 513.60.~~

~~SELLER: \_\_\_\_\_ BUYER: \_\_\_\_\_~~

~~SELLER: \_\_\_\_\_ BUYER: \_\_\_\_\_~~

**NOTICE REGARDING PREDATORY OFFENDERS:** Information about the predatory offender registry and persons registered with the registry may be obtained by contacting the local law enforcement agency or by contacting the Minnesota Department of Corrections at 651-361-7200 or at <http://www.doc.state.mn.us>.

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**B. WELL DISCLOSURE.** [Check one of the following:]  
 Seller certifies that Seller does not know of any wells on the real property and will so certify on the Deed or Contract for Deed delivered at closing.  
 Wells on the real property are disclosed by Seller on the attached M.S.B.A. Real Property Form No. 21 (2005), Well Disclosure Statement.

**C. SEWAGE TREATMENT SYSTEM DISCLOSURE.**  
[Check either (1) or (2):]  
 (1) Seller certifies that sewage generated at the property goes to a facility permitted by the Minnesota Pollution Control Agency (for example, a city or municipal sewer system).  
 (2) Seller certifies that sewage generated at the property does not go to a facility permitted by the Minnesota Pollution Control Agency and Seller's Disclosure of Individual Sewage Treatment System is attached (attach form).  
[Check either (3) or (4):]  
 (3) Seller does not know if there is an abandoned individual sewage treatment system on the property.  
 (4) Seller knows that there ~~(strike one)~~ are / are no abandoned individual sewage treatment systems on the property. If Seller discloses the existence of an abandoned individual sewage treatment system on the property, then Minnesota law requires that the location of the system be disclosed to Buyer with a map. [Attach Seller's Disclosure of Individual Sewage Treatment System with map completed.]

**D. LEAD PAINT DISCLOSURE.** [Check one of the following:]  
 Seller represents that the dwelling was constructed on the real property in 1978 or later.  
 Seller represents that the dwelling was constructed on the real property before 1978. (If such housing is located on the real property, attached and made a part of this Purchase Agreement is M.S.B.A. Real Property Form No. 11 (1996), LEAD PAINT ADDENDUM FOR HOUSING CONSTRUCTED BEFORE 1978.)

**E. HAZARDOUS SUBSTANCES, PETROLEUM PRODUCTS, AND UNDERGROUND STORAGE TANKS.** Seller knows of no hazardous substances or petroleum products having been placed, stored, or released from or on the real property by any person in violation of any law, nor of any underground storage tanks having been located on the real property at any time, except as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If the presence of underground storage tanks is disclosed, then this paragraph applies: Seller hereby represents and warrants to Buyer that all of the underground tanks known to Seller on the subject property have been disclosed to Buyer on the attached drawing or map. Seller shall provide at closing the affidavits required by Minnesota Statutes Sections 115B.16, Subd. 2, and 116.48 if applicable to the subject property and record an affidavit attesting to the location of any underground tanks which are used for the storage of petroleum products.

**F. PROTECTED SITES.** Seller has no knowledge that the property has any conditions that are protected by federal or state law (such as American Indian burial grounds, other human burial grounds, ceremonial earthworks, historical structures or materials, or archeological sites). [Check the box if the following provision applies to this Purchase Agreement:]  ADDENDUM TO PURCHASE AGREEMENT: CONTINGENCIES FOR SURVEY, APPRAISAL, DEVELOPMENT EVALUATION, AND ARCHEOLOGICAL / HISTORICAL SURVEY, M.S.B.A. Real Property Form No. 17 (2005), is included as an addendum to this Purchase Agreement.

**G. DISEASED TREES.** Seller has not received any notice from any governmental authority as to the existence of, and Seller has no knowledge of, any Dutch elm disease, oak wilt, or other disease of any trees on the real property.

**H. MECHANICAL SYSTEMS.** Seller represents that all fixtures, heating and air conditioning equipment, fireplaces (including mechanisms, dampers, flues, and doors), wiring, and plumbing used and located on the real property will be in working order on the Date of Closing. For the purposes of this Purchase Agreement, "in working order" means that the item functions for the purpose that it is intended to perform, that it is not in violation of any public codes or regulations (although it may be legally nonconforming under current law), that it does not presently need replacement, cleaning, repairs or service, that it is not missing any essential parts, and that its only imperfections are "cosmetic" or signs of "wear and tear" associated with a product of its age.

~~I. WET BASEMENT. Seller ~~(strike one)~~ has / has not had a wet basement.~~

~~J. ROOF. Seller ~~(strike one)~~ has / has not had a leaky roof.~~

~~K. UTILITIES CONNECTIONS. Seller represents that the property is connected to:  
city sewer ~~(strike one)~~ YES / NO; city water ~~(strike one)~~ YES / NO; cable communications ~~(strike one)~~ YES / NO.~~

**L. CLEAN CONDITIONS.** Seller shall remove all debris, trash, rubbish, garbage, rubble, and yard waste from the land before the possession date. Seller shall remove all trash, garbage, and miscellaneous discarded materials from the buildings, and shall leave the buildings in "broom clean" condition before the possession date. Seller shall remove all personal property not included in this sale from the real property before possession date.

**M. BUYER'S INSPECTIONS.** Buyer may have inspections of the property conducted prior to closing. [Check the box if the following provision applies to this Purchase Agreement:]  ADDENDUM TO PURCHASE AGREEMENT: BUYER'S HOME INSPECTION CONTINGENCY, M.S.B.A. Real Property Form No. 18 (2005), is included as an addendum to this Purchase Agreement.

**N. METHAMPHETAMINE DISCLOSURE.** [Check only one box, either (1) or (2).]  
 (1) To the best of Seller's knowledge, methamphetamine production has not occurred on the property.  
 (2) To the best of Seller's knowledge, methamphetamine production has occurred on the property and Seller's disclosure is contained in Part B., METHAMPHETAMINE DISCLOSURE STATEMENT, M.S.B.A. Real Property Form No. 22 (2005), included as an addendum to this Purchase Agreement.

**O. NOTICE OF AIRPORT ZONING REGULATIONS.** If airport zoning regulations affect this real property, a copy of those airport zoning regulations as adopted can be viewed or obtained at the office of the county recorder where the zoned area is located.

**P. WARRANTIES SURVIVE CLOSING.** Seller's warranties and representations contained in this Paragraph 10., shall survive the delivery of the Deed or Contract for Deed.

This Paragraph 10., shall not change or affect any rights that Buyer might have under the Uniform Commercial Code [Minnesota Statutes Section 336.2-312], or under Minnesota's "Prevention of Consumer Fraud Act" [Minnesota Statutes Sections 325F.66 — 70], or under Minnesota's "Homeowners Warranty Act" [Minnesota Statutes Chapter 327A]; nor shall it preclude Seller's liability for an action for fraud, negligent misrepresentation, or other actions allowed by law [Minnesota Statutes Section 513.57.]

**11. DISCLOSURE OF NOTICES.** Seller has not received any notice from any governmental authority as to violation of any law, ordinance or regulation affecting the real property. If the real property is subject to restrictive covenants, Seller has not received any notice from any person as to a breach of the covenants. Seller has not received any notice from any governmental authority concerning any eminent domain, condemnation, special taxing district, or rezoning proceedings. Seller's representations contained in this Paragraph 11., shall survive the delivery of the Deed or Contract for Deed.

**12. TRUTH-IN-HOUSING.** Buyer acknowledges receipt of the Truth-in-Housing Disclosure Report or other inspection report if required by the municipality in which the real property is located.

**13. POSSESSION.** Seller shall deliver possession of the property not later than \_\_\_\_\_ closing. All interest, fuel oil, liquid petroleum gas, and all charges for city water, city sewer, electricity, and natural gas shall be prorated between the parties as of \_\_\_\_\_.

14. TITLE.

~~A. ABSTRACT AND EXAMINATION OF TITLE. To demonstrate that Seller's title is good and marketable of record, within a reasonable time after acceptance of this Purchase Agreement, Seller shall furnish Buyer with an Abstract of Title (see B., below) or a Registered Property Abstract certified to date including proper searches covering bankruptcies and state and federal judgments, federal court judgment liens in favor of the U.S., liens, and levied and pending special assessments. Buyer shall have ten business days after receipt of the Abstract of Title or Registered Property Abstract either to have Buyer's lawyer examine the title and provide Seller with written Title Objections or, at Buyer's own expense, to make an application for a title insurance policy and notify Seller of the application. Buyer shall have ten business days after receipt of the Commitment for Title Insurance to provide Seller with a copy of the Commitment and written Title Objections. Buyer shall be deemed to have waived any Title Objections not made within the ten day period above, except that this shall not operate as a waiver of Seller's covenant to deliver a statutory Warranty Deed, unless a Warranty Deed is not specified above. If Buyer obtains title insurance, Buyer is not waiving the right to obtain a good and marketable title of record from Seller.~~

~~For the purposes of this Agreement, an "Objection to Title" or "Title Objection" is some title matter which fails to pass a title examination based upon Minnesota law and the Minnesota Title Standards promulgated by the Real Property Section of the Minnesota State Bar Association thereby rendering the title unmarketable and is a title matter which requires a remedial response by the Seller prior to or at closing.~~

~~An "Exception to Title" or "Title Exception" is some title matter which passes a title examination based upon Minnesota law and the Minnesota Title Standards, is generally regarded by title examiners as not rendering the title unmarketable and, which, because of its nature, is generally disclosed by title examiners to the recipient of the title opinion or title insurance commitment.~~

~~B. ABSTRACT LOST OR UNAVAILABLE: TITLE INSURANCE BY SELLER. If Seller is unable to find the Abstract of Title or if Seller did not receive an Abstract of Title when Seller purchased the Property, then, to demonstrate that Seller's title is insurable for marketability and subject to only those matters disclosed at Paragraph 6., above, within a reasonable time after acceptance of this Agreement, Seller shall furnish Buyer with a Commitment for Title Insurance including proper searches covering bankruptcies and state and federal judgments, federal court judgment liens in favor of the U.S., liens, and levied and pending special assessments. [Seller: see Advisory below.] The Commitment shall be obtained from [select one.]~~

~~The title insurer of Buyer's choice; or,  
 The same title insurer that issued title insurance to Seller so that Seller may obtain a reissue credit from the insurer.  
The Commitment shall contain the insurer's requirements for deleting these exceptions in the owner's policy (except for those matters accepted by Buyer in this Agreement):~~

- ~~(1) Rights or claims of parties in possession, not shown by the public records  
(2) Easements, or claims of easements, not shown by the public records;  
(3) Discrepancies, conflicts in boundary lines, shortages in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records; and  
(4) Any lien, or right to a lien, for services, labor or material furnished, imposed by law and not shown by the public records.~~

~~Seller shall provide to Buyer and to the title insurer all documents (except a survey, unless Seller is required by other provisions of this Agreement to provide a survey) necessary to enable the title insurer to delete these exceptions from the owner's policy of title insurance. Buyer shall have ten business days after receipt of the Commitment for Title Insurance to provide Seller with a copy of the Commitment and written Title Objections. Buyer shall be deemed to have waived any Title Objections not made within the ten day period above, except that this shall not operate as a waiver of Seller's covenant to deliver a statutory Warranty Deed, unless a Warranty Deed is not specified above. By agreeing to receive title insurance in lieu of an Abstract, Buyer is not waiving the right to obtain a good and marketable title of record from Seller. [Buyer: see Advisory below.]~~

~~Select one of the following:  
 The Commitment shall be accompanied by, at Seller's expense, the insurer's agreement (or the separate agreement of a Minnesota-licensed abstractor) to provide Buyer with an Abstract of Title at any time in the future. The abstract to be provided shall be at no cost to Buyer for all abstracting through the date of recording of the instrument of conveyance contemplated by this Purchase Agreement. Seller shall pay all commitment, abstracting, examination, searches, and title insurance costs, including the premium for the owner's policy and excluding the premium for the lender's policies.  
 The Commitment will not include the insurer's or abstractor's agreement to provide Buyer with an Abstract of Title at any time at no cost to Buyer. Seller shall pay all commitment, abstracting, examination, searches, and title insurance costs including the premiums for the owner's and the lender's policy.~~

**ADVISORY TO SELLER:** You should consult with your lawyer about the comparative costs of paying an abstract company to produce a new Abstract of Title versus paying the Buyer's title insurance costs. In many Minnesota counties, it is less expensive to obtain a new Abstract.

**ADVISORY TO BUYER:** You should consult with your lawyer about the relative merits of receiving an Abstract of Title versus receiving a title insurance policy. As a future seller of the same property, you likely will be asked to give your buyer an Abstract. If your Seller does not obtain the title insurance endorsement for future production of an Abstract, you might be facing a large expense when you sell.

~~15. TITLE CORRECTIONS AND REMEDIES. Seller shall have a limited time, from receipt of Buyer's written Title Objections, to make title marketable. Upon receipt of Buyer's Title Objections, Seller shall, within ten business days, give Notice to Buyer of Seller's intention to make title marketable within the title-clearing cure period selected in C.(1) or C.(2) below. Liens or encumbrances for liquidated amounts which can be released by payment or escrow from proceeds of closing shall not delay the closing. Cure of the defects by Seller shall be reasonable, diligent, and prompt. Pending correction of title, all payments required herein and the closing shall be postponed.~~

~~As an alternative to making title good and marketable of record, Seller may, within the ten day Notice period, make a written, dated offer to Buyer to obtain title insurance for Buyer with insuring provisions acceptable to Buyer (and, if applicable, Buyer's lender), as follows:~~

- ~~• Seller may procure, at Seller's expense, an owner's policy of title insurance, from an insurer registered and licensed to do business in Minnesota and acceptable to Buyer, specifically insuring over the Title Objections; or,  
• If the Title Objections are stated in a title insurance commitment which Buyer has obtained, Seller may provide the insurer with such documents and escrows as are necessary to allow the insurer to specifically insure over the Title Objections and agree to pay all of the insurer's charges for issuing the owner's policy to Buyer.~~

~~Under either of these title insuring alternatives, "at Seller's expense" and "pay all of the insurer's charges" mean that Seller will pay all title insurance commitment and policy premium charges, search charges, plat drawing fees, and any other charge by the insurer to issue the owner's policy, but not the premium for a lender's policy, if any. If Buyer accepts Seller's offer of an insurable title, then in this Purchase Agreement, "making title marketable" shall mean "making title insurable," in the manner described above. Buyer is under no obligation to accept Seller's offer of an insurable title in lieu of a good and marketable title of record, but, if Buyer does not reject Seller's offer of an insurable title within three (3) business days of receiving Seller's offer, Buyer shall be deemed to have accepted Seller's offer of an insurable title. If Buyer rejects Seller's offer to make title insurable, Seller shall then make title good and marketable of record and shall be subject to the provisions of this agreement for failure to timely present good and marketable title of record.~~

~~A. If Notice is given and Seller makes title marketable, then upon presentation to Buyer and proposed lender of documentation establishing that title has been made marketable, and if not objected to in writing and within 5 business days of receipt of Seller's documentation, the closing shall take place within ten business days or on the scheduled closing date, whichever is later.~~

~~B. If Seller does not give Notice of Intention to make title marketable within ten business days after receipt of Buyer's Title Objections, this Purchase Agreement is canceled and the earnest money shall be refunded to Buyer.~~

~~C. Selection of Title-Clearing Cure Period. [C.(1) and C.(2) are alternative remedies. ONLY ONE OF THEM CAN APPLY FOR THIS PURCHASE AGREEMENT. If either party cannot endure more than a 30 to 45 day delay for the closing, select C.(1). If both parties can endure a longer delay for the closing, select C.(2). SELECT ONLY C.(1) OR C.(2). IF THE PARTIES DO NOT SELECT C.(1) OR C.(2), BY CHECKING ONE OF THE BOXES BELOW, THEN C.(1) AUTOMATICALLY APPLIES AS A TERM FOR THIS PURCHASE AGREEMENT.~~

- ~~C.(1) is selected as a remedy for this Purchase Agreement.  
(1) Seller shall have 30 days from receipt of Buyer's written Title Objections or until the Date of Closing, whichever date is later, to make title marketable. If Notice is given but the stated period expires without title being made marketable, Buyer may:  
(a) Cancel this Purchase Agreement by notice to Seller pursuant to Minnesota Statutes Section 559.217, Subd. 3 (allowing Seller a 15 day right to cure) and neither party shall be liable for damages hereunder to the other, and the earnest money shall be refunded to Buyer; or,  
(b) Elect to take title subject to some or all of the Title Objections.  
 C.(2) is selected as a remedy for this Purchase Agreement.~~

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- ~~(2) Seller shall have [select one] 60 / 90 / 120 days from receipt of Buyer's written Title Objections or until the Date of Closing, whichever date is later, to make title marketable if Notice is given but the stated period expires without title being made marketable. Buyer may seek, as permitted by law, one or more of the following:~~
- ~~(a) Proceed to closing without waiver or merger in the Deed of the Title Objections and without waiver of any remedies, and may:
 
    - ~~(i) Seek damages, costs, and reasonable lawyer's fees from Seller as permitted by law (damages under this subparagraph (i) shall be limited to the cost of curing Title Objections, and consequential damages are excluded); or~~
    - ~~(ii) Undertake proceedings to correct the Title Objections;~~~~
  - ~~(b) Rescission of this Purchase Agreement by notice to Seller, in which case all earnest money paid shall be refunded to Buyer;~~
  - ~~(c) Damages from Seller together with costs and reasonable lawyer's fees, as permitted by law;~~
  - ~~(d) Specific performance within six months after such right of action arises, including costs and reasonable lawyer's fees;~~
  - ~~(e) Cancellation of this Purchase Agreement pursuant to Minnesota Statutes Section 559.217, Subd. 3 (allowing Seller a 15 day right to cure).~~
- ~~D. If title is marketable, or is made marketable as provided herein, and Buyer defaults in any of the agreements herein, Seller may elect either of the following options, as permitted by law:~~
- ~~(1) Cancel this Purchase Agreement pursuant to either Minnesota Statutes Section 559.21 or Section 559.217, Subd. 3, and retain all payments made hereunder as liquidated damages. [Note: Under federal law, Seller might not be able to legally claim or retain the earnest money under purchase agreements where Buyer applies for but is unable to secure F.H.A. or D.V.A. mortgage financing.] The parties acknowledge their intention that any note given pursuant to this contract is a down payment note, and may be presented for payment notwithstanding cancellation;~~
  - ~~(2) Seek specific performance within six months after such right of action arises, including costs and reasonable lawyer's fees, as permitted by law.~~
- ~~E. If title is marketable, or is made marketable as provided herein, and Seller defaults in any of the agreements herein, Buyer may, as permitted by law:~~
- ~~(1) Seek damages from Seller including costs and reasonable lawyer's fees;~~
  - ~~(2) Seek specific performance within six months after such right of action arises, including costs and reasonable lawyer's fees;~~
  - ~~(3) Cancel this Purchase Agreement pursuant to Minnesota Statutes Section 559.217, Subd. 3 (allowing Seller a 15 day right to cure) and neither party shall be liable for damages hereunder to the other, and the earnest money shall be refunded to Buyer.~~

~~NOTE: If this Purchase Agreement is canceled using Minnesota Statutes Section 559.217, contract provisions and statutory provisions for refunding of the earnest money to Buyer might be in conflict.~~

~~16. NOTICES. All notices required herein shall be in writing and delivered personally or mailed to the address as shown at Paragraph 1 above and, if mailed, are effective as of the date of mailing.~~

~~17. SUBDIVISION OF LAND. If this sale constitutes or requires a subdivision of land owned by Seller, Seller shall pay all subdivision expenses and obtain all necessary governmental approvals. Seller warrants that the legal description of the real property to be conveyed has been or will be approved for recording as of the Date of Closing.~~

~~18. MINNESOTA LAW. This contract shall be governed by the laws of the State of Minnesota.~~

~~19. WETLANDS, SHORELAND, AND FLOOD PLAIN CONCERNS. Unless disclosed as "a material fact" that could adversely and significantly affect buyer's use and enjoyment of the Property or any intended use of the Property, current law does not require Seller to disclose Seller's knowledge, if any, of the existence of wetlands, shoreland, or flood plain on or affecting the real property. If Buyer has not already investigated these concerns, Buyer might want to include Seller's disclosures regarding these concerns. [Check the box if the following provision applies to this Purchase Agreement:]~~

~~ADDENDUM TO PURCHASE AGREEMENT: WETLANDS, SHORELAND AND FLOOD PLAIN DISCLOSURE, M.S.B.A. Real Property Form No. 8 (1997), is included as an addendum to this Purchase Agreement.~~

~~20. SELLER'S AFFIDAVIT. At closing, Seller shall supplement the warranties and representations in this Purchase Agreement by executing and delivering a Minnesota Uniform Conveyancing Blank [Form No. 50.1.2 (formerly 118-M) or 50.1.3 (formerly 117-M or 118-M)] Affidavit of Seller. Seller's Affidavit shall include Seller's representation that no encumbrances have been placed on the property since the date of this Purchase Agreement.~~

~~21. CLOSING. Closing shall be at the office of Seller's lawyer, Buyer's title insurer, or at some other mutually agreeable location.~~

~~[State other location:]~~  
~~At closing, Seller and Buyer shall disclose their Social Security Numbers or Federal Tax Identification Numbers for the purposes of completing state and federal tax forms.~~

~~CLOSING COSTS—The costs of closing, if not determined by other provisions of this Agreement, shall be paid as follows:~~

- ~~A. SELLER'S COSTS. Seller shall pay the following at closing:~~
- ~~1. Document preparation costs, recording fees, and deed taxes for documents necessary to establish good and marketable title in Seller.~~
  - ~~2. Document preparation costs, certified copy fees, and recording fees to establish the authority of the person acting on behalf of Seller.~~
  - ~~3. Document preparation costs for Seller's deed or contract-for-deed, Certificate of Real Estate Value, Seller's affidavit, Wet Disclosure Certificate (if required), and any other documents necessary to transfer good and marketable title by Seller's deed or contract-for-deed.~~
  - ~~4. Deed tax on Seller's deed and the Agricultural Conservation deed tax charged under Minnesota Statutes Section 40A.152.~~
  - ~~5. Fees payable to Seller's lawyer or to a closer ["title closer"] for conducting the title-transfer portion of the closing. If Seller is not providing a lawyer or title closer for the title-transfer portion of the closing and if Buyer is obtaining new mortgage financing and the closer's fee is not separated into a "title closing fee" and a "loan closing fee," then Seller shall pay one half of the closer's fee or \$\_\_\_\_\_, whichever amount is less.~~
  - ~~6. And also the following costs:~~
- ~~\_\_\_\_\_~~  
~~\_\_\_\_\_~~  
~~\_\_\_\_\_~~

- ~~B. BUYER'S COSTS. Buyer shall pay the following at closing:~~
- ~~1. Document preparation costs, recording fees, and mortgage registry taxes for documents necessary for Buyer's mortgage financing.~~
  - ~~2. Document filing fee for a Wet Disclosure Certificate, if applicable.~~
  - ~~3. The Agricultural Conservation deed tax on Buyer's mortgage deed charged under Minnesota Statutes Section 40A.152.~~
  - ~~4. Loan closer's fee.~~
  - ~~5. Recording fee for Deed, Contract for Deed, or other instrument of conveyance where Buyer is the grantee.~~
  - ~~6. And also the following costs:~~
- ~~\_\_\_\_\_~~  
~~\_\_\_\_\_~~  
~~\_\_\_\_\_~~

~~22. ADDITIONAL TERMS. SEE ATTACHED ADDENDUM.~~  
~~\_\_\_\_\_~~  
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[Drafter: consider issues of assignment and of succession-in-interest.]

23. ADDENDA. Attached are the following addends which are made a part of this Purchase Agreement: [Check only those that are attached.]

**FINANCING** [Select only one financing addendum.]

- Financing Addendum for Conventional / Privately Insured Mortgage, M.S.B.A. Real Property Form No. 2 (2008)
- Financing Addendum for FHA Insured Mortgage, M.S.B.A. Real Property Form No. 3 (2008)
- Financing Addendum for VA Insured Mortgage, M.S.B.A. Real Property Form No. 4 (2008)
- Financing Addendum for Seller Mortgage, M.S.B.A. Real Property Form No. 5 (2005)
- Financing Addendum for Contract for Deed, M.S.B.A. Real Property Form No. 6 (2005)
- Financing Addendum for Assumption, M.S.B.A. Real Property Form No. 7 (2005)

**DISCLOSURE AND CONTINGENCY:**

- Addendum to Purchase Agreement: Wetlands, Shoreland, and Flood Plain Disclosure, M.S.B.A. Real Property Form No. 8 (1997)
- Addendum for Contingent Sale or Purchase of Other Home(s), M.S.B.A. Real Property Form No. 9 (1997)
- Lead Paint Addendum for Housing Constructed Before 1978, M.S.B.A. Real Property Form No. 11 (1998)
- Disclosure of Sewage Treatment System, M.S.B.A. Real Property Form No. 14 (1998)
- Condition of Property, M.S.B.A. Real Property Form No. 15 (2006)
- Addendum to Purchase Agreement: Survey, Appraisal, Development Evaluation, and Archeological / Historical Survey, M.S.B.A. Real Property Form No. 17 (2005)
- Buyer's Home Inspection Contingency, M.S.B.A. Real Property Form No. 18 (2005)
- Well Disclosure Statement, M.S.B.A. Real Property Form No. 21 (2005)
- Methamphetamine Disclosure Statement, M.S.B.A. Real Property Form No. 28 (2005)

**TITLE ISSUES:**

- Addendum to Purchase Agreement: Title Issues, M.S.B.A. Real Property Form No. 19 (2005)
- Addendum to Purchase Agreement: Tenants and Parties in Possession, M.S.B.A. Real Property Form No. 20 (2005)

**COMMON INTEREST COMMUNITY:**

- Addendum to Purchase Agreement: Common Interest Community, M.S.B.A. Real Property Form No. 12 (2004)

Others: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

24. TIME IS OF THE ESSENCE. Time is of the essence for all provisions of this Purchase Agreement.

25. MULTIPLE ORIGINALS. Seller and Buyer have signed [number] \_\_\_\_\_ originals of this Purchase Agreement.

**THIS IS A LEGALLY BINDING CONTRACT. BEFORE SIGNING, CONSULT A LAWYER.** Minnesota law permits licensed real estate brokers and sales agents to prepare purchase agreements. No recommendation or representation may be made by any real estate broker or sales agent as to the legal sufficiency, the legal effect, or the tax consequences of this contract. These are questions for your lawyer.

I agree to sell the property for the price and terms and conditions set forth above.  
STATE OF MINNESOTA

I agree to purchase the property for the price and terms and conditions set forth above.  
CITY OF MILACA

SELLER: \_\_\_\_\_ (date)

BUYER: \_\_\_\_\_ (date)

SELLER: \_\_\_\_\_ (date)

BUYER: \_\_\_\_\_ (date)

\*\*\*\*\*

This Purchase Agreement was prepared by:  
Paul D. Dove  
Dove Fretland & Van Valkenburg  
6881 Cedar Lake Road  
Minneapolis, MN 55416  
(952) 545-9000

Others who will assist Seller or Buyer with this transaction:

<b>Lender for:</b> _____ County of Mille Lacs c/o _____ _____	<b>Telephone:</b>	<b>Facsimile:</b>
<b>Listing Agent and Broker for this transaction are:</b>	<b>Telephone:</b>	<b>Facsimile:</b>
<b>Selling Agent and Broker for this transaction are:</b>	<b>Telephone:</b>	<b>Facsimile:</b>
<b>Buyer's or Lender's Title Insurer:</b>	<b>Telephone:</b>	<b>Facsimile:</b>

**ADDENDUM TO PURCHASE AGREEMENT  
BETWEEN THE STATE OF MINNESOTA, AS SELLER  
AND THE CITY OF MILACA, AS BUYER**

**Background**

The real property that is described in the attached Purchase Agreement has been forfeited to the State of Minnesota for failure to pay real estate property taxes. The County of Mille Lacs is serving in the capacity as agent for the State of Minnesota. The real property consists of a vacated single family residence located on a standard municipal lot in the City of Milaca. It is intended that the City of Milaca will knock down and remove the structure on the lot. Prior to the removal of the structure, it will conduct a Phase I Environmental Assessment and an Owners and Encumbrances search. This agreement will be void at Buyer's option if unsatisfactory liens, judgments or environmental issues are uncovered.

**Subsequent Agreement**

**Contingencies:**

1. Buyer will complete a Phase I Environmental Assessment and a lien and encumbrance search prior to closing and shall have the right to void this Purchase Agreement if it is not satisfied with the results.
2. Seller will waive all past due taxes and liens with regard to the subject property.
3. This contract shall be contingent upon obtaining the waiver of all current and past due assessments by the County of Mille Lacs and the City of Milaca.

**Work to be Performed and Additional Payments**

Buyer shall proceed, subsequent to closing, to remove the existing structure on the subject property and to remove the debris. Buyer shall then attempt to sell the subject property for its fair market value. From the sale proceeds, there shall first be deducted all of Buyer's costs incurred in this transaction. All remaining proceeds to Mille Lacs County, the Agent for the State of Minnesota.

**SELLER: STATE OF MINNESOTA**

**BUYER: CITY OF MILACA**

BY \_\_\_\_\_

BY \_\_\_\_\_

Mayor

Its \_\_\_\_\_

BY \_\_\_\_\_

City Manager

RESOLUTION NO. 10 – 33

RESOLUTION DECLARING A HAZARDOUS ACCESSORY STRUCTURE  
LOCATED AT  
625 CENTRAL AVENUE SOUTH, MILACA, MN

WHEREAS, the legal description for the property located at 625 Central Avenue South, Milaca, MN 56353 is “Lots 8 & 9, Block 43, and North ½ of Vacated Alley Adjacent, Flinks Addition, City of Milaca;” and

WHEREAS, Roger A. and Donna M. Holland are the record owners of the Subject Property; and

WHEREAS, Minnesota Statute 463.15 Subd 3 defines a hazardous building or hazardous property as "any building or property, which because of inadequate maintenance, dilapidation, physical damage, unsanitary conditions, or abandonment constitutes a fire hazard or hazard to public safety or health"; and

WHEREAS, Minnesota Statute 463.16 states "The governing body of any municipality may order the owner of a hazardous building or property within the municipality to correct or remove the hazardous condition of the building or the property or to raze or remove the building; and

WHEREAS, The 2006 International Building Code, Section 115 states a building or structure regulated by the Code is unsafe if it is structurally unsafe, not provided with adequate egress, a fire hazard, or otherwise dangerous to human life. The Code further states that all unsafe buildings, structures, or appendages are public nuisances and must be abated by repair, rehabilitation, demolition, or removal according to Minnesota Statutes, Sections 463.15 to 463.26 (Hazardous and Substandard Buildings); and

WHEREAS, on or about June 24, 2010, an inspection was done on the Subject Property by Milaca city officials, and a letter sent to the property owner notifying them they had to abate the nuisance, and to respond to the city by July 5, 2010; and

WHEREAS, on or about August 23, 2010, a follow up inspection was done on the Subject Property by Milaca city officials, and there was no change in the condition of the structure; and

WHEREAS, said inspection revealed the following building code violations and unsafe conditions:

1. The accessory structure is in an unsafe condition. The building walls are broken and bowed out creating a danger to human life or the public welfare.
2. The numerous gaps between the brick allows animals and birds into the structure.
3. The accessory structure constitutes and attractive nuisance.

WHEREAS, the building code violations, unsafe conditions, and structural instability of the Subject Property, requires the city take action to abate the hazardous conditions; and

WHEREAS, as of September 8, 2010, all deficiencies described above have not been corrected to the satisfaction of city officials; and

WHEREAS, the Subject Property is in violation of laws of the State of Minnesota and the City of Milaca, to-wit:

Minnesota Statute 463.15 - 463.261 (Hazardous and Substandard Buildings); 2006 International Building Code, Sec. 115, (Unsafe Buildings or Structures); and the Milaca City Ordinance 336 (Milaca Ordinance adopting the State Building Code);

UPON THE FOREGOING FINDINGS, IT IS HEREBY RESOLVED by the City Council of the City of Milaca as follows:

1. The Subject detached accessory structure the property located at 625 Central Avenue South, Milaca, MN 56353 is hereby declared a hazardous building, unsafe building and public nuisance as defined in Minnesota Statute 463.15, Subd 3, 2006 International Building Code, Sec. 115, and Milaca City Ordinance 336; by virtue of its numerous building code violations, unsanitary conditions, and general instability of the structure.
2. The conditions of the Subject Property pose such a public hazard that the City must take all necessary action to abate the hazard.
3. The City Council of the City of Milaca hereby orders the owners of record of the described hazardous building, or their representatives, to correct the hazardous conditions on the Subject Property, as outlined in the letter Dated June 24, 2010, and adopted herein by reference (copies attached), within twenty (20) days of the service of this Order upon them;
4. The City Council of the City of Milaca further orders that unless such corrective action is taken, or an answer is filed in the office of the Court Administrator of the District Court of Mille Lacs County, Minnesota, within twenty (20) days from the date of the service of this order, a Motion for Default Summary Enforcement of this Order will be made to the District Court of Mille Lacs County;
5. The City Council of the City of Milaca further orders that in the event the City elects, pursuant to the statute, to take the corrective action, all necessary costs expended by the City will be assessed against the Subject Property and collected in accordance with the applicable statutes;
6. The City Council of the City of Milaca hereby authorizes and directs the Mayor and City Manager, the City Engineer, the City Attorney, and any other necessary

officers and employees of the City to prepare, sign and serve any papers, and to take any actions which are necessary to execute this Order and to assess the costs thereof against the Subject Property to be collected along with the ad valorem taxes in accordance with the statute in such case made and provided.

Adopted this 8th day of September, 2010.

ATTEST

\_\_\_\_\_  
Mayor Harold Pedersen

\_\_\_\_\_  
Greg Lerud, City Manager

# City of Milaca

255 First Street East  
Milaca, MN 56353



320-983-3141  
320-983-3142 (fax)

[www.cityofmilaca.org](http://www.cityofmilaca.org)

June 24, 2010

Mr. Roger Holland  
625 Central Ave S  
Milaca, MN 56353

Dear Mr. Holland:

**Re: 625 Central Avenue S**

During routine inspections, the following violations were noted at the above property:

- **Tall grass**
- **Unlicensed Vehicles**
- **Miscellaneous debris in yard**
- **Garage in such disrepair as to constitute a safety hazard.**

The above are violations of the City's nuisance ordinance. If you have already taken steps to correct these violations, we thank you. **If you have not, please do so by July 5, 2010.** Failure to correct the above violations may result in the City issuing a citation and/or taking corrective action and assessing the associated costs against your property taxes.

If you feel you have received this letter in error or should you wish to discuss this further, please call me at 983-3141.

Sincerely,

A handwritten signature in black ink, appearing to read 'ML', is written over the printed name 'Marshall Lind'.

Marshall Lind  
Building/Zoning Administrator

ML:plm  
Enclosure

RESOLUTION #10 – 34  
 RESOLUTION APPROVING THE PRELIMINARY 2011 BUDGET AND PROPOSED  
 2011 TAX LEVY

BE IT RESOLVED by the City Council for the City of Milaca, County of Mille Lacs, Minnesota, that the proposed 2011 City of Milaca Annual Budget and Program of Municipal Services be hereby adopted and that the following sums of money be levied for 2011 upon the taxable property in the said City of Milaca for the following purposes:

2011 Total Expenditures	\$5,190,385
2011 Total Revenues	\$4,883,658
General Fund	\$382,227
Capital Equipment	PW
	\$ 5,000
	Fire
	\$ 25,000
	Parks
	\$ 5,000
	Police
	\$ 5,000
2010 LGA Unallotment	\$101,000
Debt Service	
2001 Street Improvement	\$ 62,400
2005 Street Improvement	\$ 57,500
2009 GO Refunding	\$ 62,200
Library	\$ 80,000
City Hall	\$ 75,000
TOTAL LEVY	\$860,327

The City Manager is hereby instructed to:

1. Transmit a certified copy of this Resolution to the County Auditor of Mille Lacs County, Minnesota.
2. To certify to the Mille Lacs County Auditor that there are sufficient monies in the funds, together with the above schedule of amounts levied to pay the principal and interest due in 2011.
3. On January 2 of the budget year, the City Treasurer shall transfer \$25,000 from the Fire Department Relief Reserve to the Fire Department Equipment Reserve.

Adopted by the City Council this 8<sup>th</sup> day of September, 2010.

ATTEST

\_\_\_\_\_  
Harold Pedersen, Mayor

\_\_\_\_\_  
Greg Lerud, City Manager

I hereby certify that the foregoing Resolution is a true and correct copy of the Resolution presented to and adopted by the City Council of Milaca at a meeting thereof held in the City of Milaca, Minnesota on the 8th day of September, 2010, as disclosed by the records of said City in my possession.

\_\_\_\_\_  
Greg Lerud, City Manager

RESOLUTION NO. 10 –

RESOLUTION AUTHORIZING APPLICATION AND PRIMARY CONTACT  
PERSON FOR DOT GRANT APPLICATION

BE IT RESOLVED that the City of Milaca will act as sponsoring unit for the project identified as Ash Tree Replacement project on the Milaca Public School property on State Trunk Highway 23 to be conducted during the March thru May, 2011.

BE IT FURTHER RESOLVED that Greg Lerud, along with Dave Auchter at East Central Energy, are hereby authorized to apply to the Minnesota Department of Transportation for funding of this project on behalf of the City of Milaca and Milaca Public Schools.

Adopted this 8<sup>th</sup> day of September, 2011.

\_\_\_\_\_  
Mayor Harold Pedersen

ATTEST

\_\_\_\_\_  
Greg Lerud, City Manager

I certify that the above Resolution was adopted by the City Council of Milaca on September 8, 2010.

\_\_\_\_\_  
Greg Lerud, City Manager

**From:** "Dave Auchter ECEFI: Mgr Forestry Services" <dave.auchter@ecemn.com>  
**To:** <glerud@milacacity.com>  
**Date:** 8/26/2010 8:33:59 AM  
**Subject:** FW: TH23 CS 4801 Green Ash Removal under power line and replanting with friendly power line vegetation Milaca School

Hi Greg,

Sorry I'm late to getting back to you on this. I've spoken with Greg Moyer about this project and would like to work with City of Milaca to develop this project. Basically in a nutshell:

ECE wants to eliminate about two dozen ash trees growing under our 3 phase power line in front of the Milaca school. Some are on MNDOT R/W, some on School property. I've spoken with Jerry Hansen and he is for it if we do some replacements. I thought we could use flowering crabs and other power line friendly species. Some could go back along the front of the school and maybe some along the boulevard. MNDOT has a Community Roadside Landscape Partnership grant program where they will fund a portion of the work if the local unit of government is involved and makes the application. Greg said he would be able to provide some stump grinding, possibly some digging of holes, watering of trees and some shrubs from the nursery. In my estimation, that's about the equivalent of about 2,000 of work including his labor. ECE would provide the tree removal services (\$1,800), an arborist to coordinate and oversee the design and planting (\$1,375), wood chip mulch (\$100), some of the labor to plant the trees (\$900), stakes and wire (\$140). If we did this project in April or May, possibly in coordination with Arbor Day, we can get students from the school to help. I'm hoping the school will provide some follow-up maintenance---mostly watering. I'm figuring on planting about 20 or more trees if we can get MNDOT to fund that part of it. So, the budget would look like this in terms of a grant application:

City of Milaca  
East Central Energy  
MNDOT

Stump grinding	\$575	Tree
Removal	\$1,800	Trees
(20-25 total)	\$3,000	
Restoration & seed	\$470	
Design/Oversee	\$1,375	
Digging of holes	\$400	
Planting labor	\$ 900	
Milaca School		

Watering	\$290	
Stakes; mulch	\$ 240	
Shrubs	\$500	
Install protection	\$ 265	
Assist with planting	\$ 600	
		\$2,235
\$4,580		

GRAND TOTAL PROJECT COST: \$10,415

In reference to Dan Gullickson's email (below), would you be willing to submit a resolution agreeing to this project to the MNDOT Engineer? I'm not sure if you need the Council to do a resolution? If you would wish, I could be the primary contact person. I would also help you fill out the application. If we could get this approved early on, we could get the tree removal portion going yet this fall. I'm listing Bob Busch's contact info below.

Bob Busch, D.E.

1991 Industrial Park

Baxter, MN 56425

218-828-5703

Robert.Busch@state.mn.us

<mailto:Robert.Busch@state.mn.us?Subject='Landscape%20Partnership%20Program'>

Thanks for your consideration and I hope to hear from you soon. I am looking forward to working together with Milaca and the school on this project. Dave.

Dave Auchter

Manager, Forestry Services

EAST CENTRAL ENERGY

P.O. Box 89

Finlayson, MN 55735

(320) 233-6828 Office

MILACA ECONOMIC DEVELOPMENT COMMISSION MINUTES  
AUGUST 20, 2010

The regular meeting of the Milaca economic development commission was called to order at 7:35 a.m. by Chairman Joe Cronin. Commission members present: Hansen, Muller, Kosbab, Thomes, and Lerud

The secretary's report was approved as read.

Update on old business:

Lerud said the community fund board has come together with about seven members, and they expect to be formally recognized by the Initiative Foundation in September.

The pedestrian walking bridge replacement in Rec Park is waiting for approval from the DNR. Lerud said the hydraulic study said the bridge needed to be about 40 feet longer than the current one. He said the price of a bridge that long is about three times the cost of the original estimate, and if we are required to install a bridge that long, then the project will not proceed. Lerud said he thought the DNR would be willing to consider using the existing abutments, and if they do, he thought the bridge would be replaced this year.

Lerud said the joint powers agreement between Milaca and Ogilvie has been working well.

The deadline for the small cities grant pre-application is September. Lakes and Pines is preparing the application on behalf of the cities of Milaca and Princeton. If the project receives approval for the preapplication, the final application is due in December.

The Chinese restaurant opened a couple of weeks ago and it has been very busy.

Lerud said he has met with Nortech Systems Chief Financial Officer. Kosbab said they have operations in several places in Minnesota, and their plan for the facility is to continue to assemble medical devices. He said they were working on trying to land several contracts, and if successful, an expansion at the plant might be a possibility. Lerud said the landlords have always been willing to work with the tenant on an expansion.

The building permit for Teal's Market was received earlier this week. There was discussion about the site and the project. Cronin said the new store is critical for the downtown area.

Superintendent Hansen gave the commission an update on the school project.

Kosbab said that the Benton County Economic Development group is a member of the MN Commercial Association of Realtors and it provides a resource to get commercial and industrial property advertised. He said he receives calls a few times a year from interested parties about available land in the Milaca area. Joining the Association would be a good way to make sure agents know what is for sale here. Kosbab suggested that Shelia DeVine be invited to the September meeting of the EDC. The Commission thought it would be a great idea.

With no other business the meeting adjourned at 8:30 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Greg Jerud', is written over the typed name.

Greg Jerud, Secretary  
Milaca Economic Development Commission

## Bock Sewer Comparision

	Gallons				Lift Station				Difference (in gallons)	% Difference
	Pumped	Cubic Ft	Rate	Amount	Flows	Cubic Ft	Rate	Amount		
Jul-08	163,000	21,791	0.0245	533.89	321,219	42,944	0.0245	1,052.12	158,219	97%
Aug-08	182,600	24,412	0.0245	598.09	226,416	30,270	0.0245	741.60	43,816	24%
Sep-08	172,100	23,008	0.0245	563.70	386,008	51,605	0.0245	1,264.33	213,908	124%
Oct-08	168,100	22,473	0.0245	550.59	417,174	55,772	0.0245	1,366.41	249,074	148%
Nov-08	151,000	20,187	0.0245	494.59	299,175	39,997	0.0245	979.92	148,175	98%
Dec-08	168,500	22,527	0.0245	551.91	226,920	30,337	0.0245	743.25	58,420	35%
	<b>1,005,300</b>				<b>1,876,912</b>				<b>871,612</b>	<b>87%</b>
Jan-09	172,000	22,995	0.0245	563.37	208,131	27,825	0.0245	681.71	36,131	21%
Feb-09	150,500	20,120	0.0245	492.95	215,101	28,757	0.0245	704.54	64,601	43%
Mar-09	182,000	24,332	0.0245	596.12	503,069	67,255	0.0245	1,647.75	321,069	176%
Apr-09	194,500	26,003	0.0245	637.07	571,913	76,459	0.0245	1,873.24	377,413	194%
May-09	164,500	21,992	0.0245	538.80	352,300	47,099	0.0245	1,153.92	187,800	114%
Jun-09	172,500	23,061	0.0245	565.01	237,219	31,714	0.0245	776.99	64,719	38%
Jul-09	199,000	26,604	0.0245	651.80	220,282	29,449	0.0245	721.51	21,282	11%
Aug-09	173,000	23,128	0.0245	566.64	310,102	41,457	0.0245	1,015.71	137,102	79%
Sep-09	170,500	22,794	0.0245	558.46	283,320	37,877	0.0245	927.99	112,820	66%
Oct-09	163,000	21,791	0.0245	533.89	527,655	70,542	0.0245	1,728.28	364,655	224%
Nov-09	162,500	21,725	0.0245	532.25	562,547	75,207	0.0245	1,842.57	400,047	246%
Dec-09	163,000	21,791	0.0245	533.89	507,788	67,886	0.0245	1,663.21	344,788	212%
	<b>2,067,000</b>				<b>4,499,427</b>				<b>2,432,427</b>	<b>118%</b>
Jan-10	167,000	22,326	0.0245	546.99	479,636	64,122	0.0245	1,571.00	312,636	187%
Feb-10	147,000	19,652	0.0245	481.48	392,845	52,519	0.0245	1,286.72	245,845	167%
Mar-10	160,000	21,390	0.0245	524.06	616,662	82,441	0.0245	2,019.82	456,662	285%
Apr-10	158,000	21,123	0.0245	517.51	436,621	58,372	0.0245	1,430.11	278,621	176%
May-10	183,000	24,465	0.0245	599.40	376,047	50,274	0.0245	1,231.70	193,047	105%
Jun-10	175,000	23,396	0.0245	573.20	463,782	62,003	0.0245	1,519.07	288,782	165%
Jul-10	174,000	23,262	0.0245	569.92	373,719	49,962	0.0245	1,224.08	199,719	115%
Aug-10	152,500	20,388	0.0245	499.50	550,442	73,589	0.0245	1,802.92	397,942	261%
Sep-10										
Oct-10										
Nov-10										
Dec-10										
	<b>1,316,500</b>				<b>3,689,754</b>				<b>2,373,254</b>	<b>180%</b>

May 25, 2010



Mr. Greg Lerud, City Administrator  
City of Milaca  
255 First Street E  
Milaca, MN 56353-1609

Re: Main Wastewater Lift Station  
City of Milaca  
Bonestroo File No.: 472-09135-0

Dear Greg:

This letter report summarizes an evaluation of possible improvements at the Main Lift Station (LS) located on the west side of the Rum River. Improvements are needed to extend the life of the facility for approximately the next 20 years. This report presents 3 options/scenarios for rehabilitating the lift station. Attached to the report are photographs showing the existing conditions of the lift station and schematic drawings used in the evaluation.

### **Introduction**

The existing Main LS is a wet well/dry well type station constructed in 1959 and located just south of the water treatment facility on the west bank of the Rum River. The LS was last rehabilitated in 1986 when the original pumps were replaced. All wastewater from the city is pumped by the LS to the treatment ponds approximately 1/2 mile to the northwest.

Average daily influent flow to the LS is 150 to 200 GPM. During periods of high river levels and significant precipitation, peak influent flows have reached 2,000 GPM as measured by LS magnetic flow meter. This high peak to average ratio indicates significant infiltration and/or inflow is occurring in the collection system.

The LS is housed in a 10 ft x 13 ft block building with flat roof. The dry well contains two existing pumps which are accessed via steps from the LS main floor. Although space exists for a third pump, conditions are cramped. Each pump is capable of 1,400 GPM at 63 ft total dynamic head (TDH). With both pumps operating, the LS output is 2,000 GPM total at 90 ft TDH. The wet well is 5 ft x 13 ft in plan dimension with 16 inch diameter influent pipe approximately 7 ft above the bottom of the wet well. The main floor is at elevation 1050 with the bottom of the station at elevation 1021. A portable generator provides power to the LS during outages.

Photos of the existing LS are included in Attachment A. Figures 1 and 2 provide plan and section views of the existing LS.

## **Deficiencies of the Existing Lift Station**

The existing LS exhibits the following deficiencies:

- LS has no redundancy when pumping the peak flow rate of 2,000 GPM as both pumps are required to operate. If one of the pumps fails, then wastewater will back up into the collection system which could result in surcharged manholes and flooded basements.
- Pump suction piping is undersized, leading to high fluid velocities and shortened pump life. Each pump has been rebuilt six times at a cost of \$3,000 to \$5,000 for each rebuild.
- Wet well volume is undersized leading to increased pump starts and accelerated pump wear and tear.
- Pumps have across-the-line starters and therefore operate at full RPM whenever pumping, resulting in increased power usage.
- Dry well side of the LS does not provide sufficient ventilation as required by code.
- Dry well side of the LS is quite small which makes it difficult to maintain and inspect the pumps.
- Standby generator does not have automatic start capability.

## **Alternatives**

Three scenarios were evaluated for rehabilitating the Main LS. Scenario I assumed the LS continues as a wet well/dry well type of station. Scenario II assumed the LS is converted to submersible pumps. Scenario III assumed minimal repairs including the addition of a 3<sup>rd</sup> pump. These scenarios are described in more detail below.

### **Scenario I: Dry Well/Wet Well**

In this scenario, the Main LS remains as a wet well/dry well type of station. Refer to Figure 3. Major work elements consist of the following:

- Salvage recently installed remote telemetry unit (RTU) and level sensor.
- Remove existing piping, pumps, HVAC items, and aged electrical gear (> 20 years).
- Install three new pumps each rated for 1,250 GPM at 120 ft TDH with up to 75 HP motor. Design peak flow was estimated at 2,500 GPM based on assumption of 25 new housing units per year for the next 20 years. Peak pumping rate would be achieved with two pumps in operation with third pump as backup.
- Install new electrical service, generator transfer switch, motor control center, and supervisory control panel. Variable frequency drives (VFD) would be used for pump control to reduce pump starts and energy use.

- New make-up air unit and exhaust fan to comply with code ventilation requirements.
- New lighting.
- New pump suction and discharge piping including new magnetic flow meter.
- Lift Station structure rehabilitation to include block repair as necessary, new metal roof, door replacement, and interior coatings.
- New 175 kW standby generator is required because the existing generator is not large enough to run the proposed pumps.

### Scenario II: Submersible

In this scenario, the Main LS would be converted to a submersible pump LS. Refer to Figures 4 and 5. Major work elements consist of the following:

- Salvage recently installed remote telemetry unit (RTU) and level sensor.
- Remove existing electrical gear, piping, and process equipment.
- Demolish above-grade building and elevated slab.
- Expand existing wet well by cutting openings in existing concrete divider wall.
- Pour new concrete cover over expanded wet well. Pour top of cover at elevation 1052.5 to insure 3.5 ft freeboard above 100 year flood elevation.
- Three submersible pumps each 1,250 GPM at 120 ft TDH.
- New discharge piping, valve manhole, and meter manhole.
- New 175 kW standby generator.

### Scenario III: Add 3<sup>rd</sup> Pump

The relatively high costs for Scenarios I and II reflect the fact that they provide redundancy in the event of pump failure, capacity for growth, and replace older electrical equipment. Scenario III presents an option for updating the lift station without increasing the station capacity.

This scenario consists of the follow major elements:

- Retain the two existing pumps, process pipe, flow meter, and electrical gear. Equipment will be replaced in future as needed.
- Salvage recently installed remote telemetry unit (RTU) and level sensor.
- One new dry pit pump rated for 400 GPM at 38 ft TDH.
- VFD for the new pump.
- New make-up air unit and exhaust fan to comply with code ventilation requirements.

- Lift Station structure rehabilitation to include block repair as necessary, new metal roof, door replacement, and interior coating for the dry side of the LS only.
- New 100 kW standby generator.

The estimated construction costs and total project costs are in the Table below.

Bonds, Mobilization, Insurance, Etc	\$35,000	\$30,000	\$15,000
Site Work	\$9,500	\$9,500	\$0
Bypass Pumping	\$52,000	\$52,000	\$12,000
Demolition	\$6,700	\$13,000	\$4,200
Lift Station Modifications	\$92,000	\$60,000	\$47,200
Paint and Coatings	\$20,000	\$15,000	\$15,000
Process Pipe	\$110,100	\$132,800	\$28,600
Pump(s)	\$120,000	\$90,000	\$15,000
Electrical	\$86,000	\$86,000	\$38,000
Emergency Generator	\$60,000	\$60,000	\$42,000
	\$591,300	\$548,300	\$217,000
15% Contingencies	\$88,700	\$82,200	\$32,600
Subtotal Estimated Construction Cost	\$680,000	\$630,500	\$249,600
15% Engineering, Legal, Administration	\$102,000	\$94,600	\$37,400
Total Project Cost	\$782,000	\$725,100	\$287,000
O/M Costs			
Power	\$3,500	\$3,500	\$3,500
Natural Gas	\$1,000	\$0	\$1,000
Equipment	\$8,400	\$7,100	\$12,900
Pump Liftout	\$0	\$3,000	\$0
	\$12,900	\$13,600	\$17,400

## **Discussion**

Scenario II, converting to submersible pumps, is considered superior to Scenario I which maintains the use of dry pit type pumps. Scenario II has several advantages over Scenario I:

- Lower capital cost.
- Significantly more wet well volume which improves lift station operation and reduces possibility of sewage backups into the collection system.
- Provides protection against the 100 year flood of the Rum River with new top slab.
- Capable of further expansion of peak pumping capacity with addition of fourth pump.

The submersible pumps in Scenario II weigh 1100 – 1500 pounds whereas the dry pit pumps weigh up to 2500 lbs. Although the submersibles are lighter, they will be more difficult to inspect as they require lifting from the wet well. The City does not presently have a vehicle capable of lifting submersible pumps, and must contact a service company with lift out capability. Permanent or portable hoist equipment could be included in the project that would allow the city to lift out submersible pumps.

One advantage for Scenario I is that pumps can be inspected visually in the dry well which could lead to the earlier discovery of pump problems. However, this advantage is more than offset by the undersized wet well and the extremely cramped dry well layout.

Scenario III, the "Add 3<sup>rd</sup> Pump" option, is attractive given the significantly lower cost. However, proceeding with this scenario requires acknowledgement of the following:

- Firm pumping capacity, the ability to pump peak flow with the largest pump out of service, is not included.
- No additional capacity is added for growth.
- Existing pumps and electrical gear that are retained for use will need replacement well in advance of the normal 20 year project life.

### **Recommendations**

If the City is comfortable with the 3 issues described above, the "Add 3<sup>rd</sup> Pump" Scenario III is recommended. For a project designed to provide for growth and full 20 year equipment life, Scenario II is recommended.

The next steps are to:

- Select one of the lift station scenarios discussed in this report.
- Determine funding options. The project could be eligible for a low interest loan from the Clean Water Revolving Fund program for FY2011 construction, but a Facilities Plan and written request for placement on the Project Priority List must be submitted as soon as possible.
- Finalize schedule based on funding options.
- Begin design phase.

### **Schedule**

From a cost standpoint, the next 6-12 months may be an opportune time to construct a project to rehabilitate the Main Lift Station. Recent construction bids for municipal work have been quite favorable.

The following is a list of remaining tasks and approximate associated time frames for each task.

- Design: Three months.
- Solicit bids: One month.
- Construction: Approximately eight months.

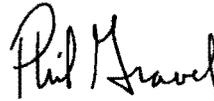
We appreciate the opportunity to prepare this report for the City of Milaca. We'd be pleased to meet with you to discuss the results of this report. Please contact us if you have any questions or need additional information.

Sincerely,

BONESTROO



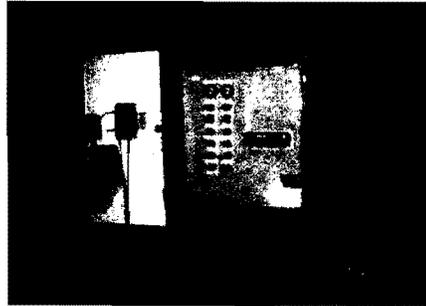
Ron LaFond, P.E.  
Project Manager  
(651) 604-4771

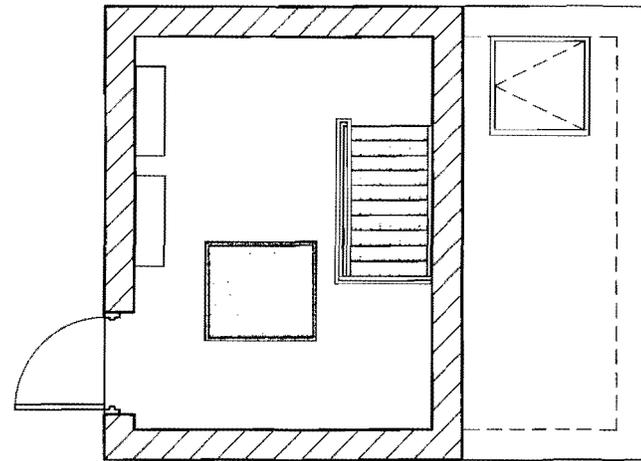
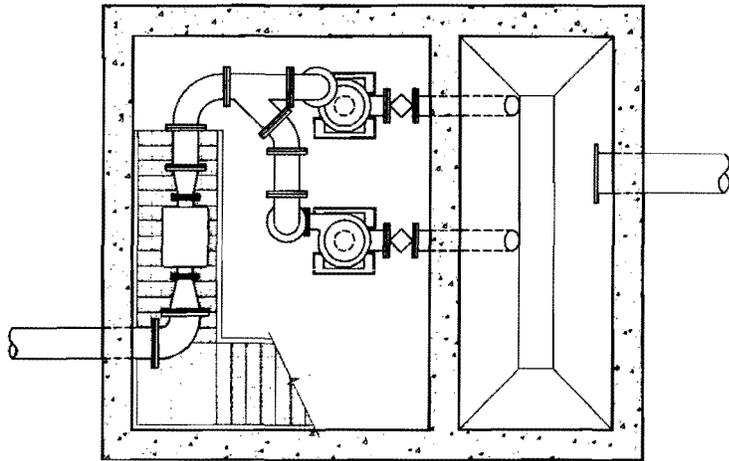


Phil Gravel, P.E.  
City Engineer  
(651) 604-4885

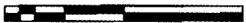
Attachments: Attachment A - Photos  
Figures

**ATTACHMENT A: MILACA MAIN LIFT STATION PHOTOS**







**FLOOR PLAN BELOW GRADE**  
 0 2' 4' 8'  




**FLOOR PLAN ABOVE GRADE**  
 0 2' 4' 8'  


EXISTING FLOOR PLANS

MILACA, MINNESOTA  
 MAIN LIFT STATION

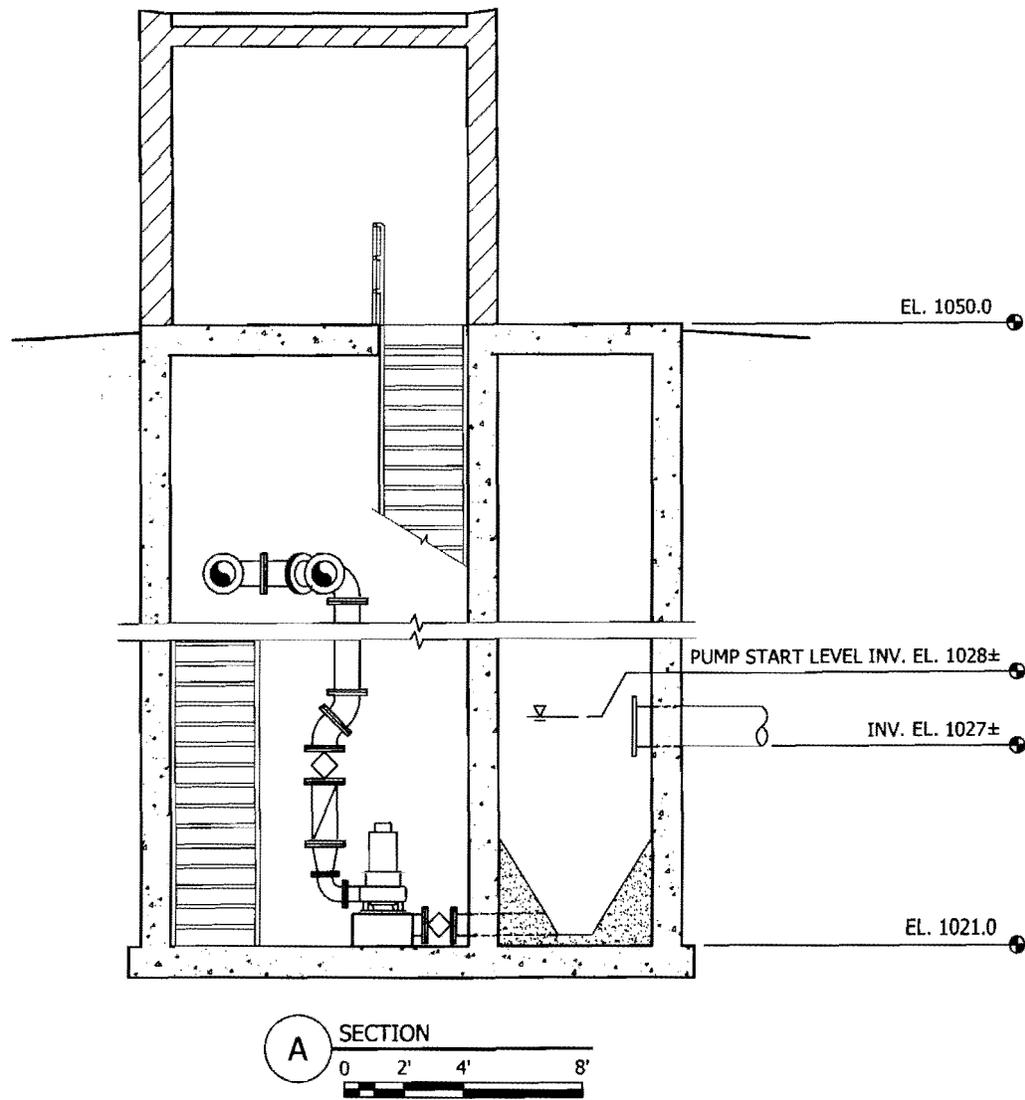
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DATE: 03-10-10

COMM: 00472-09135-0

FIGURE 1





EXISTING SECTION

MILACA, MINNESOTA  
 MAIN LIFT STATION

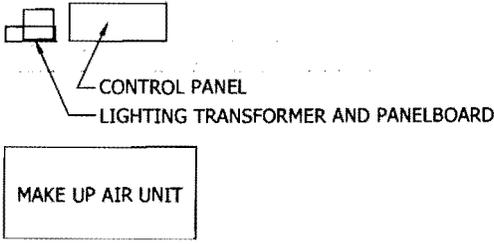
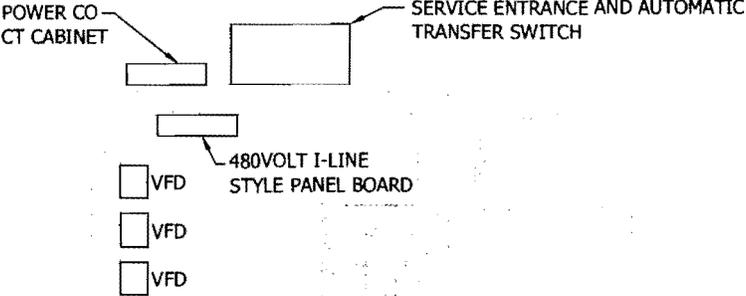
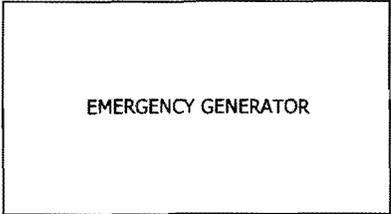
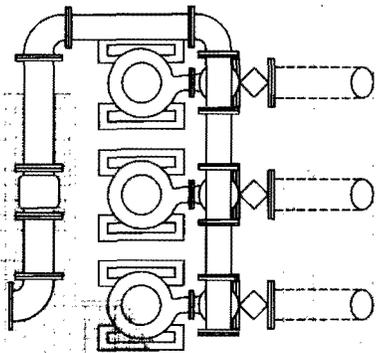
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DATE: 03-10-10

COMM: 00472-09135-0

FIGURE 2





**A** FLOOR PLAN BELOW GRADE  
 0 2' 4' 8'



**B** FLOOR PLAN ABOVE GRADE  
 0 2' 4' 8'

SCENARIO I - DRY PIT SUBMERSIBLE PUMPS

MILACA, MINNESOTA  
 MAIN LIFT STATION

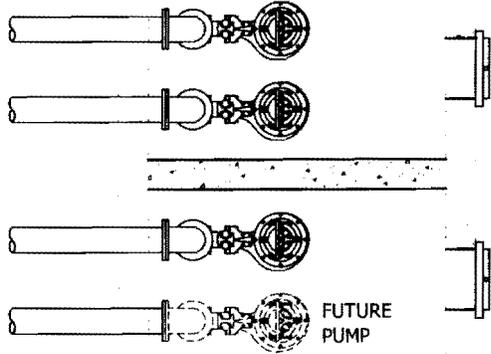
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DATE: 03-10-10

COMM: 00472-09135-0

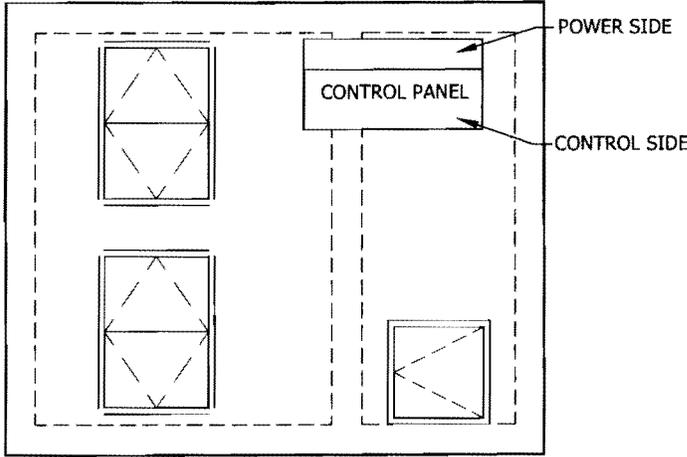
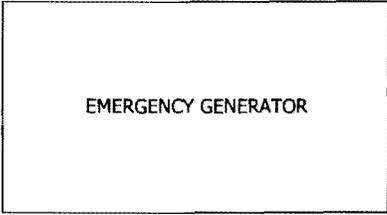
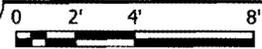
FIGURE 3





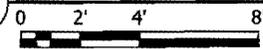
A

FLOOR PLAN BELOW GRADE



B

FLOOR PLAN ABOVE GRADE



SCENARIO II - SUBMERSIBLE PUMPS

MILACA, MINNESOTA  
MAIN LIFT STATION

472091.350F04.DWG

DATE: 03-10-10

COMM: 00472-09135-0

FIGURE 4



**RESOLUTION NO. 10 – \_\_\_\_\_**  
**RESOLUTION APPROVING THE ISSUANCE OF**  
**GENERAL OBLIGATION SEWER REVENUE BONDS, SERIES 2010**

BE IT RESOLVED by the City Council of the City of Milaca, Minnesota (herein, the “City”), as follows:

1. The City Council hereby finds and declares that it is necessary and expedient for the City to sell and issue its fully registered general obligation sewer revenue bonds in the total aggregate principal amount of not to exceed \$325,000 (herein, the “Bonds”). The proceeds of the Bonds will be used to finance improvements to the City’s sewer system and the costs of issuing the Bonds.
2. The City Council desires to proceed with the sale of the Bonds by direct negotiation to Northland Securities, Inc. (herein, “NSI”).
3. The Mayor and City Manager are hereby authorized to approve the sale of the Bonds in an aggregate principal amount of not to exceed \$325,000 and to execute a bond purchase agreement for the purchase of the Bonds with NSI, provided the true interest cost on the General Obligation Sewer Revenue Bonds is less than 3.00%.
4. Upon approval of the sale of the Bonds by the Mayor and the City Manager the City Council will take action at its next regularly scheduled meeting thereafter to adopt the necessary approving resolutions as prepared by the City's bond counsel.
5. NSI is authorized to prepare an Official Statement related to the sale of the Bonds.
6. If the Mayor and the City Manager have not approved the sale of the bonds to NSI and executed the related bond purchase agreement by December 31, 2010, this resolution shall expire.

Adopted this 8<sup>th</sup> day of September, 2010.

\_\_\_\_\_  
Mayor Harold Pedersen

ATTEST

\_\_\_\_\_  
Greg Lerud, City Manager

DATA (10 YEAR SCHEDULE)	
NUMBER OF CONNECTIONS:	1,058
ANNUAL % INCREASE IN CONNECTIONS:	0.00%
AVG. SEWER BILL INCR. (MONTHLY):	\$2.70

**CITY OF MILACA, MINNESOTA  
CASH FLOW ANALYSIS  
GENERAL OBLIGATION SEWER REVENUE BONDS, SERIES 2010B**

DATE OF ANALYSIS: AUGUST 24, 2010  
EST. DATED DATE: NOVEMBER 1, 2010

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
DATE	(2-1) PRINCIPAL	EST. INTEREST RATES	INTEREST	TOTAL D/S	STATE 0.00%	TOTAL REQUIREMENT	CAPITAL INTEREST	(I) - EST. SEWER REVS.	EST. WAC REVENUE	ANNUAL SURPLUS / DEFICIT	CUMM. BALANCE
								0			
8/1/2011			4,033	4,033	4,033	4,033		17,140	0	13,106	13,106
2/1/2012	25,000	0.70%	2,689	27,689	27,689	27,689		17,140	0	(10,549)	2,557
8/1/2011			2,601	2,601	2,601	2,601		17,140	0	14,538	17,096
2/1/2013	25,000	0.70%	2,601	27,601	27,601	27,601		17,140	0	(10,462)	6,634
8/1/2011			2,514	2,514	2,514	2,514		17,140	0	14,626	21,260
2/1/2014	25,000	1.20%	2,514	27,514	27,514	27,514		17,140	0	(10,374)	10,886
8/1/2011			2,364	2,364	2,364	2,364		17,140	0	14,776	25,662
2/1/2015	30,000	1.20%	2,364	32,364	32,364	32,364		17,140	0	(15,224)	10,437
8/1/2011			2,184	2,184	2,184	2,184		17,140	0	14,956	25,393
2/1/2016	30,000	1.75%	2,184	32,184	32,184	32,184		17,140	0	(15,044)	10,349
8/1/2011			1,921	1,921	1,921	1,921		17,140	0	15,218	25,567
2/1/2017	30,000	1.75%	1,921	31,921	31,921	31,921		17,140	0	(14,782)	10,786
8/1/2011			1,659	1,659	1,659	1,659		17,140	0	15,481	26,267
2/1/2018	30,000	2.25%	1,659	31,659	31,659	31,659		17,140	0	(14,519)	11,748
8/1/2011			1,321	1,321	1,321	1,321		17,140	0	15,818	27,566
2/1/2019	35,000	2.25%	1,321	36,321	36,321	36,321		17,140	0	(19,182)	8,384
8/1/2011			928	928	928	928		17,140	0	16,212	24,596
2/1/2020	35,000	2.65%	928	35,928	35,928	35,928		17,140	0	(18,788)	5,808
8/1/2011			464	464	464	464		17,140	0	16,676	22,484
2/1/2021	35,000	2.65%	464	35,464	35,464	35,464		17,140	0	(18,324)	4,160
	\$300,000		\$38,632	\$338,632	\$338,632	\$338,632	\$0	\$342,792	\$0	\$4,160	

(1) ASSUMES RATE INCREASE STARTS ON FEBRUARY 1, 2011

APPLICATION OF FUNDS

ESTIMATED CONSTRUCTION COSTS OF PROJECT (INCLUDES ENGINEERING & CONTINGENCIES)	\$285,000.00
TOTAL HARD COSTS	\$285,000.00
ADD:	
ESTIMATED LEGAL OPINION	3,500.00
CAPITALIZED INTEREST (0 MONTHS)	0.00
ESTIMATED OFFICIAL STATEMENT PRINTING	0.00
ESTIMATED FAIRNESS OPINION	0.00
EST. REGISTRATION (ONE TIME FEE TO CALL)	3,020.00
ESTIMATED DISCOUNT FACTOR (1.96% OF PAR)	5,880.00
EST. RATING FEE	2,600.00
TOTAL	300,000.00
LESS: EST. EARNINGS ON CONSTRUCTION FUND	\$0.00
GRAND TOTAL	300,000.00
ROUNDED FOR ISSUANCE	\$300,000.00

BONDS DATED: NOVEMBER 1, 2010  
 BONDS MATURE: FEBRUARY 1, 2012 THROUGH 2021  
 INTEREST: AUGUST 1, 2011 & SEMIANNUALLY THEREAFTER  
 OPTION: FEBRUARY 1, 2015 @ 100  
 PURCHASE PRICE: \$294,120.00  
 AVERAGE COUPON: 2.11103%  
 NEIR: 2.43234%  
 PAYING AGENT & REGISTRAR: NORTHLAND TRUST SERVICES, INC.  
 CLOSING DATE: MAY \_\_, 2006

NORTHLAND  SECURITIES

NORTHLAND SECURITIES, INC.  
 STEVEN J. MATTSON, EXECUTIVE VICE PRESIDENT  
 612-851-5900  
 800-851-2920

**RESOLUTION NO. 10 – \_\_\_**

**RESOLUTION APPROVING THE ISSUANCE OF  
GENERAL OBLIGATION IMPROVEMENT REFUNDING BONDS, SERIES 2010**

BE IT RESOLVED by the City Council of the City of Milaca, Minnesota (herein, the “City”), as follows:

1. 1. The City Council hereby finds and declares that it is necessary and expedient for the City to sell and issue its fully registered general obligation refunding bonds in the total aggregate principal amount of not to exceed \$380,000 (herein, the “Bonds”). The proceeds of the Bonds will be used, together with any additional funds of the City which might be required for (i) a current refunding of all or a portion of the February 1, 2012 through 2017 maturities, aggregating up to \$355,000 in principal amount, of the City’s General Obligation Improvement Bonds, Series 2001, dated July 17, 2001 as date of original issue, and (ii) to pay the costs associated with issuing the Bonds.
2. The City Council desires to proceed with the sale of the Bonds by direct negotiation to Northland Securities, Inc. (herein, “NSI”).
3. The Mayor and City Manager are hereby authorized to approve the sale of the Bonds in an aggregate principal amount of not to exceed \$380,000 and to execute a bond purchase agreement for the purchase of the Bonds with NSI, provided the total net savings for the General Obligation Improvement Refunding Bonds is at least \$20,000.
4. Upon approval of the sale of the Bonds by the Mayor and the City Manager the City Council will take action at its next regularly scheduled meeting thereafter to adopt the necessary approving resolutions as prepared by the City’s bond counsel.
5. NSI is authorized to prepare an Official Statement related to the sale of the Bonds.
6. If the Mayor and the City Manager have not approved the sale of the bonds to NSI and executed the related bond purchase agreement by December 31, 2010, this resolution shall expire.

Adopted this 8<sup>th</sup> day of September, 2010.

\_\_\_\_\_  
Mayor Harold Pedersen

ATTEST

\_\_\_\_\_  
Greg Lerud, City Manager

**RESOLUTION NO. 10 – \_\_\_\_**

**RESOLUTION APPROVING THE ISSUANCE OF  
GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN REFUNDING BONDS,  
SERIES 2010**

BE IT RESOLVED by the City Council of the City of Milaca, Minnesota (herein, the “City”), as follows:

1. 1. The City Council hereby finds and declares that it is necessary and expedient for the City to sell and issue its fully registered general obligation refunding bonds in the total aggregate principal amount of not to exceed \$1,050,000 (herein, the “Bonds”). The proceeds of the Bonds will be used, together with any additional funds of the City which might be required for (i) a full net advance refunding of the February 1, 2011 through 2023 maturities, aggregating up to \$895,000 in principal amount, of the Public Project Revenue Bonds, Series 2002, dated December 1, 2002 as date of original issue, issued by the Economic Development Authority of the City of Milan, and (ii) to pay the costs associated with issuing the Bonds.
2. The City Council desires to proceed with the sale of the Bonds by direct negotiation to Northland Securities, Inc. (herein, “NSI”).
3. The Mayor and City Manager are hereby authorized to approve the sale of the Bonds in an aggregate principal amount of not to exceed \$1,050,000 and to execute a bond purchase agreement for the purchase of the Bonds with NSI, provided the total net savings for the General Obligation Capital Improvement Plan Refunding Bonds is at least \$60,000 and the savings meet the 3% savings test as set forth in Minnesota Statutes 475.67, subdivision 12.
4. Upon approval of the sale of the Bonds by the Mayor and the City Manager the City Council will take action at its next regularly scheduled meeting thereafter to adopt the necessary approving resolutions as prepared by the City's bond counsel.
5. NSI is authorized to prepare an Official Statement related to the sale of the Bonds.
6. If the Mayor and the City Manager have not approved the sale of the bonds to NSI and executed the related bond purchase agreement by December 31, 2010, this resolution shall expire.

Adopted this 8<sup>th</sup> day of September, 2010.

\_\_\_\_\_  
Mayor Harold Pedersen

ATTEST

\_\_\_\_\_  
Greg Lerud, City Manager

# City of Milaca, Minnesota

G.O. Improvement Refunding Bonds of 2010  
2001

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Preliminary

# City of Milaca, Minnesota

G.O. Improvement Refunding Bonds of 2010  
2001

## Refunding Summary

Dated 12/01/2010 | Delivered 12/01/2010

### Sources Of Funds

Par Amount of Bonds	\$375,000.00
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<b>Total Sources</b>	<b>\$375,000.00</b>
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### Uses Of Funds

Deposit to Current Refunding Fund	354,911.29
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Total Underwriter's Discount (2.500%)	9,375.00
---------------------------------------	----------

Costs of Issuance	8,875.00
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Rounding Amount	1,838.71
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<b>Total Uses</b>	<b>\$375,000.00</b>
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### Flow of Funds Detail

State and Local Government Series (SLGS) rates for  
Date of OMP Candidates

Current Refunding Escrow Solution Method	Net Funded
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Total Cost of Investments	\$354,911.29
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Interest Earnings @ 0.150%	88.71
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Total Draws	\$355,000.00
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### Issues Refunded And Call Dates

01old	2/01/2011
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### PV Analysis Summary (Net to Net)

Net PV Cashflow Savings @ 1.359%(Bond Yield)	23,452.27
--	-----------

Contingency or Rounding Amount	1,838.71
--------------------------------	----------

Net Present Value Benefit	\$25,290.98
---------------------------	-------------

Net PV Benefit / \$355,000 Refunded Principal	7.124%
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Net PV Benefit / \$375,000 Refunding Principal	6.744%
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### Bond Statistics

Average Life	3.420 Years
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Average Coupon	1.3629957%
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Net Interest Cost (NIC)	2.0939899%
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Bond Yield for Arbitrage Purposes	1.3586634%
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True Interest Cost (TIC)	2.1246438%
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All Inclusive Cost (AIC)	2.8757688%
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Preliminary

# City of Milaca, Minnesota

G.O. Improvement Refunding Bonds of 2010  
2001

## Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
02/01/2011	-	70,603.75	68,765.04	70,603.75	1,838.71
02/01/2012	80,077.92	-	80,077.92	83,297.50	3,219.58
02/01/2013	73,827.50	-	73,827.50	80,047.50	6,220.00
02/01/2014	78,337.50	-	78,337.50	81,797.50	3,460.00
02/01/2015	52,437.50	-	52,437.50	58,192.50	5,755.00
02/01/2016	51,837.50	-	51,837.50	55,617.50	3,780.00
02/01/2017	55,962.50	-	55,962.50	57,942.50	1,980.00
<b>Total</b>	<b>\$392,480.42</b>	<b>\$70,603.75</b>	<b>\$461,245.46</b>	<b>\$487,498.75</b>	<b>\$26,253.29</b>

### PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	23,452.27
Net PV Cashflow Savings @ 1.359%(Bond Yield).....	23,452.27
Contingency or Rounding Amount.....	1,838.71
Net Present Value Benefit	\$25,290.98
Net PV Benefit / \$398,452.27 PV Refunded Debt Service	6.347%
Net PV Benefit / \$355,000 Refunded Principal...	7.124%
Net PV Benefit / \$375,000 Refunding Principal..	6.744%

### Refunding Bond Information

Refunding Dated Date	12/01/2010
Refunding Delivery Date	12/01/2010

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Preliminary

# City of Milaca, Minnesota

G.O. Improvement Refunding Bonds of 2010  
2001

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/01/2010	-	-	-	-	-
08/01/2011	-	-	2,901.67	2,901.67	-
02/01/2012	75,000.00	0.700%	2,176.25	77,176.25	80,077.92
08/01/2012	-	-	1,913.75	1,913.75	-
02/01/2013	70,000.00	0.700%	1,913.75	71,913.75	73,827.50
08/01/2013	-	-	1,668.75	1,668.75	-
02/01/2014	75,000.00	1.200%	1,668.75	76,668.75	78,337.50
08/01/2014	-	-	1,218.75	1,218.75	-
02/01/2015	50,000.00	1.200%	1,218.75	51,218.75	52,437.50
08/01/2015	-	-	918.75	918.75	-
02/01/2016	50,000.00	1.750%	918.75	50,918.75	51,837.50
08/01/2016	-	-	481.25	481.25	-
02/01/2017	55,000.00	1.750%	481.25	55,481.25	55,962.50
<b>Total</b>	<b>\$375,000.00</b>	<b>-</b>	<b>\$17,480.42</b>	<b>\$392,480.42</b>	<b>-</b>

Dated	12/01/2010
Delivery Date	12/01/2010
First Coupon Date	8/01/2011
First available call date	
Call Price	-
Bond Year Dollars	\$1,282.50
Average Life	3.420 Years
Average Coupon	1.3629957%
Net Interest Cost (NIC)	2.0939899%
True Interest Cost (TIC)	2.1246438%
Bond Yield for Arbitrage Purposes	1.3586634%
Net Interest Cost	1.3629957%
Weighted Average Maturity	3.420 Years

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Preliminary

# City of Milaca, Minnesota

G.O. Improvement Bonds of 2001

## Debt Service To Maturity And To Call

Date	Refunded Bonds	D/S To Call	Principal	Coupon	Interest	Refunded D/S	Fiscal Total
12/01/2010	-	-	-	-	-	-	-
02/01/2011	355,000.00	355,000.00	-	4.850%	-	-	-
08/01/2011	-	-	-	-	9,148.75	9,148.75	-
02/01/2012	-	-	65,000.00	5.000%	9,148.75	74,148.75	83,297.50
08/01/2012	-	-	-	-	7,523.75	7,523.75	-
02/01/2013	-	-	65,000.00	5.000%	7,523.75	72,523.75	80,047.50
08/01/2013	-	-	-	-	5,898.75	5,898.75	-
02/01/2014	-	-	70,000.00	5.150%	5,898.75	75,898.75	81,797.50
08/01/2014	-	-	-	-	4,096.25	4,096.25	-
02/01/2015	-	-	50,000.00	5.150%	4,096.25	54,096.25	58,192.50
08/01/2015	-	-	-	-	2,808.75	2,808.75	-
02/01/2016	-	-	50,000.00	5.350%	2,808.75	52,808.75	55,617.50
08/01/2016	-	-	-	-	1,471.25	1,471.25	-
02/01/2017	-	-	55,000.00	5.350%	1,471.25	56,471.25	57,942.50
<b>Total</b>	<b>\$355,000.00</b>	<b>\$355,000.00</b>	<b>\$355,000.00</b>	<b>-</b>	<b>\$61,895.00</b>	<b>\$416,895.00</b>	<b>-</b>

### Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/01/2010
Average Life	3.505 Years
Average Coupon	4.9748158%
Weighted Average Maturity (Par Basis)	3.505 Years

### Refunding Bond Information

Refunding Dated Date	12/01/2010
Refunding Delivery Date	12/01/2010

Preliminary

# City of Milaca, Minnesota

G.O. Improvement Refunding Bonds of 2010  
2001

## Current Refunding Escrow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
12/01/2010	-	-	-	-	-	-
02/01/2011	354,911.29	0.1500000%	88.71	355,000.00	355,000.00	-
<b>Total</b>	<b>\$354,911.29</b>	<b>-</b>	<b>\$88.71</b>	<b>\$355,000.00</b>	<b>\$355,000.00</b>	<b>-</b>

### Investment Parameters

Investment Model [PV, GIC, or Securities]	PV Discount
Default investment yield target	Unrestricted
Cost of Investments Purchased with Bond Proceeds	354,911.29
Total Cost of Investments	\$354,911.29
Target Cost of Investments at bond yield	\$354,199.75
Actual positive or (negative) arbitrage	(711.54)
Yield to Receipt	0.1500074%
Yield for Arbitrage Purposes	1.3586634%

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# City of Milaca, Minnesota

G.O. Refunding Bonds of 2010 (ASSUMES GO BONDS)

Public Project Revenue Bonds of 2002

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# City of Milaca, Minnesota

G.O. Refunding Bonds of 2010 (ASSUMES GO BONDS)

Public Project Revenue Bonds of 2002

## Refunding Summary

Dated 12/01/2010 | Delivered 12/01/2010

### Sources Of Funds

Par Amount of Bonds	\$1,025,000.00
<b>Total Sources</b>	<b>\$1,025,000.00</b>

### Uses Of Funds

Deposit to Net Cash Escrow Fund	988,860.11
Total Underwriter's Discount (2.125%)	21,781.25
Costs of Issuance	14,350.00
Rounding Amount	8.64
<b>Total Uses</b>	<b>\$1,025,000.00</b>

### Flow of Funds Detail

State and Local Government Series (SLGS) rates for  
Date of OMP Candidates

Net Cash Escrow Fund Solution Method	Net Funded
Total Cost of Investments	\$988,860.11
Interest Earnings @ 0.634%	12,502.39
Total Draws	\$1,001,362.50

### Issues Refunded And Call Dates

02old	2/01/2013
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### PV Analysis Summary (Net to Net)

Net PV Cashflow Savings @ 2.449%(Bond Yield)	55,921.68
Contingency or Rounding Amount	8.64
Net Present Value Benefit	\$55,930.32
Net PV Benefit / \$895,000 Refunded Principal	6.249%
Net PV Benefit / \$1,025,000 Refunding Principal	5.457%

### Bond Statistics

Average Life	7.840 Years
Average Coupon	2.4638287%
Net Interest Cost (NIC)	2.7348803%
Bond Yield for Arbitrage Purposes	2.4486557%
True Interest Cost (TIC)	2.7558754%
All Inclusive Cost (AIC)	2.9631649%

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# City of Milaca, Minnesota

G.O. Refunding Bonds of 2010 (ASSUMES GO BONDS)

Public Project Revenue Bonds of 2002

## Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
02/01/2011	43,619.17	43,610.53	46,872.50	3,261.97
02/01/2012	61,575.00	61,575.00	67,745.00	6,170.00
02/01/2013	61,395.00	61,395.00	66,745.00	5,350.00
02/01/2014	61,135.00	61,135.00	65,682.50	4,547.50
02/01/2015	60,755.00	60,755.00	64,620.00	3,865.00
02/01/2016	60,255.00	60,255.00	63,545.00	3,290.00
02/01/2017	99,635.00	99,635.00	107,420.00	7,785.00
02/01/2018	123,195.00	123,195.00	129,270.00	6,075.00
02/01/2019	126,042.50	126,042.50	129,900.00	3,857.50
02/01/2020	128,512.50	128,512.50	135,200.00	6,687.50
02/01/2021	130,637.50	130,637.50	134,425.00	3,787.50
02/01/2022	132,397.50	132,397.50	138,387.50	5,990.00
02/01/2023	133,835.00	133,835.00	136,825.00	2,990.00
<b>Total</b>	<b>\$1,222,989.17</b>	<b>\$1,222,980.53</b>	<b>\$1,286,637.50</b>	<b>\$63,656.97</b>

### PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	55,921.68
Net PV Cashflow Savings @ 2.449%(Bond Yield).....	55,921.68
Contingency or Rounding Amount.....	8.64
Net Present Value Benefit	\$55,930.32
Net PV Benefit / \$1,080,921.68 PV Refunded Debt Service	5.174%
Net PV Benefit / \$895,000 Refunded Principal...	6.249%
Net PV Benefit / \$1,025,000 Refunding Principal..	5.457%

### Refunding Bond Information

Refunding Dated Date	12/01/2010
Refunding Delivery Date	12/01/2010

# City of Milaca, Minnesota

G.O. Refunding Bonds of 2010 (ASSUMES GO BONDS)

Public Project Revenue Bonds of 2002

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/01/2010	-	-	-	-	-
02/01/2011	40,000.00	0.350%	3,619.17	43,619.17	43,619.17
08/01/2011	-	-	10,787.50	10,787.50	-
02/01/2012	40,000.00	0.450%	10,787.50	50,787.50	61,575.00
08/01/2012	-	-	10,697.50	10,697.50	-
02/01/2013	40,000.00	0.650%	10,697.50	50,697.50	61,395.00
08/01/2013	-	-	10,567.50	10,567.50	-
02/01/2014	40,000.00	0.950%	10,567.50	50,567.50	61,135.00
08/01/2014	-	-	10,377.50	10,377.50	-
02/01/2015	40,000.00	1.250%	10,377.50	50,377.50	60,755.00
08/01/2015	-	-	10,127.50	10,127.50	-
02/01/2016	40,000.00	1.550%	10,127.50	50,127.50	60,255.00
08/01/2016	-	-	9,817.50	9,817.50	-
02/01/2017	80,000.00	1.800%	9,817.50	89,817.50	99,635.00
08/01/2017	-	-	9,097.50	9,097.50	-
02/01/2018	105,000.00	2.050%	9,097.50	114,097.50	123,195.00
08/01/2018	-	-	8,021.25	8,021.25	-
02/01/2019	110,000.00	2.300%	8,021.25	118,021.25	126,042.50
08/01/2019	-	-	6,756.25	6,756.25	-
02/01/2020	115,000.00	2.500%	6,756.25	121,756.25	128,512.50
08/01/2020	-	-	5,318.75	5,318.75	-
02/01/2021	120,000.00	2.700%	5,318.75	125,318.75	130,637.50
08/01/2021	-	-	3,698.75	3,698.75	-
02/01/2022	125,000.00	2.850%	3,698.75	128,698.75	132,397.50
08/01/2022	-	-	1,917.50	1,917.50	-
02/01/2023	130,000.00	2.950%	1,917.50	131,917.50	133,835.00
<b>Total</b>	<b>\$1,025,000.00</b>	<b>-</b>	<b>\$197,989.17</b>	<b>\$1,222,989.17</b>	<b>-</b>

Dated	12/01/2010
Delivery Date	12/01/2010
First Coupon Date	2/01/2011
First available call date	
Call Price	-
Bond Year Dollars	\$8,035.83
Average Life	7.840 Years
Average Coupon	2.4638287%
Net Interest Cost (NIC)	2.7348803%
True Interest Cost (TIC)	2.7558754%
Bond Yield for Arbitrage Purposes	2.4486557%
Net Interest Cost	2.4638287%
Weighted Average Maturity	7.840 Years

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# City of Milaca, Minnesota

Public Project Revenue Bonds of 2002

## Debt Service To Maturity And To Call

Date	Refunded Bonds	Interest to Call	D/S To Call	Principal	Coupon	Interest	Refunded D/S	Fiscal Total
02/01/2011	25,000.00	21,872.50	46,872.50	25,000.00	4.000%	21,872.50	46,872.50	46,872.50
08/01/2011	-	21,372.50	21,372.50	-	-	21,372.50	21,372.50	-
02/01/2012	25,000.00	21,372.50	46,372.50	25,000.00	4.000%	21,372.50	46,372.50	67,745.00
08/01/2012	-	20,872.50	20,872.50	-	-	20,872.50	20,872.50	-
02/01/2013	845,000.00	20,872.50	865,872.50	25,000.00	4.250%	20,872.50	45,872.50	66,745.00
08/01/2013	-	-	-	-	-	20,341.25	20,341.25	-
02/01/2014	-	-	-	25,000.00	4.250%	20,341.25	45,341.25	65,682.50
08/01/2014	-	-	-	-	-	19,810.00	19,810.00	-
02/01/2015	-	-	-	25,000.00	4.300%	19,810.00	44,810.00	64,620.00
08/01/2015	-	-	-	-	-	19,272.50	19,272.50	-
02/01/2016	-	-	-	25,000.00	4.500%	19,272.50	44,272.50	63,545.00
08/01/2016	-	-	-	-	-	18,710.00	18,710.00	-
02/01/2017	-	-	-	70,000.00	4.500%	18,710.00	88,710.00	107,420.00
08/01/2017	-	-	-	-	-	17,135.00	17,135.00	-
02/01/2018	-	-	-	95,000.00	4.600%	17,135.00	112,135.00	129,270.00
08/01/2018	-	-	-	-	-	14,950.00	14,950.00	-
02/01/2019	-	-	-	100,000.00	4.700%	14,950.00	114,950.00	129,900.00
08/01/2019	-	-	-	-	-	12,600.00	12,600.00	-
02/01/2020	-	-	-	110,000.00	5.250%	12,600.00	122,600.00	135,200.00
08/01/2020	-	-	-	-	-	9,712.50	9,712.50	-
02/01/2021	-	-	-	115,000.00	5.250%	9,712.50	124,712.50	134,425.00
08/01/2021	-	-	-	-	-	6,693.75	6,693.75	-
02/01/2022	-	-	-	125,000.00	5.250%	6,693.75	131,693.75	138,387.50
08/01/2022	-	-	-	-	-	3,412.50	3,412.50	-
02/01/2023	-	-	-	130,000.00	5.250%	3,412.50	133,412.50	136,825.00
<b>Total</b>	<b>\$895,000.00</b>	<b>\$106,362.50</b>	<b>\$1,001,362.50</b>	<b>\$895,000.00</b>	<b>-</b>	<b>\$391,637.50</b>	<b>\$1,286,637.50</b>	<b>-</b>

### Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/01/2010
Average Life	8.362 Years
Average Coupon	5.2328805%
Weighted Average Maturity (Par Basis)	8.362 Years

### Refunding Bond Information

Refunding Dated Date	12/01/2010
Refunding Delivery Date	12/01/2010

# City of Milaca, Minnesota

G.O. Refunding Bonds of 2010 (ASSUMES GO BONDS)

Public Project Revenue Bonds of 2002

## Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
12/01/2010	-	-	-	0.02	-	0.02
02/01/2011	46,856.88	0.2000000%	15.61	46,872.49	46,872.50	0.01
08/01/2011	21,336.93	0.2500000%	35.57	21,372.50	21,372.50	0.01
02/01/2012	46,183.69	0.3500000%	188.80	46,372.49	46,372.50	-
08/01/2012	20,699.50	0.5000000%	173.00	20,872.50	20,872.50	-
02/01/2013	853,783.09	0.6500000%	12,089.41	865,872.50	865,872.50	-
<b>Total</b>	<b>\$988,860.09</b>	<b>-</b>	<b>\$12,502.39</b>	<b>\$1,001,362.50</b>	<b>\$1,001,362.50</b>	<b>-</b>

### Investment Parameters

Investment Model [PV, GIC, or Securities]	PV Discount
Default investment yield target	Unrestricted
Cash Deposit	0.02
Cost of Investments Purchased with Bond Proceeds	988,860.09
Total Cost of Investments	\$988,860.11
Target Cost of Investments at bond yield	\$954,224.61
Actual positive or (negative) arbitrage	(34,635.50)
Yield to Receipt	0.6344295%
Yield for Arbitrage Purposes	2.4486557%