

TOWN OF SILVER CREEK  
REGULAR MEETING  
JANUARY 15, 2019

The regular meeting of the Town Board of the Town of Silver Creek was held on Tuesday, January 15, 2019 in the Board Meeting Room. Present were Supervisors: Greg Hull, Denny Moen and Mike Hoops; Clerk Alison Oftedahl; Treasurer Jamie Pellman; Town Operations and Facilities Manager Jody Reineccius; and Equipment Operator Allen Anderson.

Constituents Present: Chuck Voss.

Chairman Hull called the meeting to order at 6:00 p.m.

**CONSTITUENTS CONCERNS:** None.

**ROAD & SAFETY:**

- Road Report – Town Operations and Facilities Manager Reineccius reported that a lot of plowing and sanding has been done in the last couple weeks. Intersections have been widened and the carbide blade was applied to break the ice off the dirt roads. Tree trimming on Red Maple Lane was required after the wet heavy snow bent many tree branches. The salt/sand supply was also discussed and Reineccius stated that sand may be more difficult to come by than salt. The group debated whether one half or two-thirds of the original supply is remaining. It was agreed that it is too soon to consider purchasing additional supply. In a worst-case scenario, class 5 could be applied instead of sand during the April season. Reineccius brought up the need to expand the turnaround space on the west side of Alder Road because the plow trucks tend to get stuck. The Board noted that a survey of the road would be needed followed by pursuit of a legal easement in order to expand this area.
- FEMA – In spite of the Federal Government shutdown, the Clerk heard from FEMA via email this week requesting additional forms be signed.

**SEWER OPERATIONS:**

- Wenck Engineering Contract – Hoops had been asked to seek some clarification on Wenck's proposal and fee schedule. Where the contract states that Wenck "will not bill the Town over \$5,000 to miscellaneous projects during 2019," Hoops explained that this is not a retainer fee – it is a dollar limit for miscellaneous work. Requests exceeding this limit would require Board pre-approval. Hoops explained that Wenck is fine with Silver Creek adjusting this dollar limit as desired. Below this limit, the Sewer Operator could request engineering work at his own discretion. Hull suggested setting the dollar limit at \$2500. Hoops and Moen favored \$3000. After discussion, motion by Hoops, second Moen to set the limit at \$3000 and sign the contract. Passed unanimously. The new amount was hand written on the contract in the meeting and signed by Chairman Hull.
- PFA Loan – The current and projected balance in the CDSSD Debt Service Fund will not be available until the completion of the Gooseberry Village land sale. The Board was in general agreement in the desire to pay off the PFA loan one year early thereby saving the cost of two years of independent audits at \$10,000 each that are required for the duration of the PFA.
- Wastewater Report – Sewer Operator Hoops discussed sewer finances noting that that the fund balances were moving significantly in the right direction and we picked up about \$18,000 in the reduction of shortfall. He noted that we will receive about \$10,000 from Hammes in reimbursement for installation of his sewer once it is completed. With regard to inventory, he reported that two-thirds of the old pumps in the system have been replaced with brand new models. Some are completed each year.

**LAND USE:**

- Transition of CDSSD Land Use Administration to Lake County – Chairman Hull reported that after conversation with Commissioner Sve, he believes the ball is in our court. If Silver Creek chooses to vacate the ordinance, Lake County will have to pick up the land use administration for the CDSSD residents. Silver Creek must notify residents, hold a public hearing and go through the process. The Board agreed that spring would be the best time for this hearing, and a tentative date and time of Saturday April 27<sup>th</sup> at 9:00 a.m. was selected.

- **TAX FORFEIT GOOSEBERRY VILLAGE PROPERTY:** Hull reported that all modifications to the purchase agreement that were identified in last week's Committee of the Whole meeting and requested by Silver Creek were accepted by the buyer. Silver Creek's attorney Scott Witty informed us that the final Purchase Agreement is ready for signatures. Resolution 2019-1 to sell Gooseberry Village Tax Forfeit Land and to thereby accept the appended Purchase Agreement was adopted unanimously upon roll call vote as follows Hull – yea; Moen – yea; Hoops – yea.

**RESOLUTION # 2019-1**  
**TOWN OF SILVER CREEK**  
**LAKE COUNTY MINNESOTA**  
**To Sell Gooseberry Village Tax Forfeit Land**

**WHEREAS**, when the Castle Danger Waste Water system was first built it included sufficient capacity to accommodate the then proposed Gooseberry Village development, and;

**WHEREAS**, the proposed development was never completed, and;

**WHEREAS**, only a portion of the assessments on the property for the construction of the Waste Water system were paid, and;

**WHEREAS**, this resulted in a short-fall in the repayment of capital expense loan fund of the Castle Danger Subordinate Sewer District, and;

**WHEREAS**, the tax-forfeit property: Parcels Numbered 29-5454-01010, 29-5454-01020, and 29-5454-01030, has since been purchased by Silver Creek from the State of Minnesota and;

**WHEREAS**, The Town of Silver Creek can obtain the necessary funds for the repayment of the capital loan by reselling said parcels, and;

**WHEREAS**, buyers Ron Hammes and Ben Oliver have come forward with an offer to purchase the property and commence development of it.

**NOW THEREFORE, BE IT RESOLVED BY THE TOWN BOARD OF THE TOWN OF SILVER CREEK, LAKE COUNTY, MINNESOTA**, that pursuant to Minn. Stat. § 366.01, subd. 9, which authorizes Town Boards to sell real property owned by the Town, the Chairman of the Board of Supervisors of the Town of Silver Creek be duly empowered and authorized to accept the Purchase Agreement appended below as approved by Silver Creek's Attorney Scott Witty and reviewed in this meeting, and perform such actions as are necessary to complete the sale of said parcels on behalf of the Town of Silver Creek.

Adopted the 15<sup>rd</sup> day of January 2019 by the Town Board of the Town of Silver Creek.

\_\_\_\_\_  
 Greg Hull

\_\_\_\_\_  
 Denny Moen

\_\_\_\_\_  
 Mike Hoops

ATTEST: \_\_\_\_\_

Alison Oftedahl, Clerk

## PURCHASE AGREEMENT

THIS AGREEMENT is made as of \_\_\_\_\_ (the "Effective Date"), Benjamin Oliver, a married person, and his assigns ("Buyer"), and The Township of Silver Creek, ("Seller"). The Effective Date shall be the date the last party to this Agreement executes this document.

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

1. Sale of Property. Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller, the following property (collectively, "Property"):

(a) Real Property. Three parcels of real property located in Lake County, Minnesota with the following tax ID Numbers: (29-5454-01010, 29-5454-01020, 29-5454-01030 ), legally described on the attached **Exhibit A** ("Land"), together with (1) all buildings and improvements constructed or located on the Land ("Buildings"), and (2) all easements and rights benefiting or appurtenant to the Land (collectively the "Real Property").

2. Purchase Price and Manner of Payment. The total purchase price ("Purchase Price") to be paid by Buyer to Seller for the Property shall be Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00) allocated as follows: \$136,000.00 thereof shall be allocated towards the value of the Real Property, and \$114,000.00 shall be allocated towards unpaid assessments related to the Real Property and shall be payable as follows:

(a) Fifty Thousand and No/100 Dollars (\$50,000.00) as earnest money ("Earnest Money"), which Earnest Money shall be held by a mutually agreed upon Title Company ("Escrow Agent").

(b) Two Hundred Thousand and No/100 Dollars (\$200,000.00) in cash or by wire transfer of U.S. Federal Funds to be received by a mutually agreed upon Title Company ("Title") on or before 2:00 p.m. on the Closing Date.

3. Contingencies. The obligations of Buyer under this Agreement are contingent upon each of the following:

(a) Title. Title shall have been found acceptable, or been made acceptable, in accordance with the requirements and terms of Section 6 below.

(b) Performance of Seller's Obligations. Seller shall have performed or provided all of the following to its sole satisfaction:

(i) Seller shall allow Buyer, and Buyer's agents, access to the Real Property without charge and at all reasonable times for the purpose of Buyer's investigation and testing the same. Buyer shall pay all costs and expenses of such investigation and testing and shall hold Seller and the Real Property harmless from all costs and liabilities relating to the Buyer's activities. Buyer shall further repair and restore any damage to the Real Property caused by or occurring during Buyer's testing and return the Real Property and/or Personal Property to substantially the same condition as existed prior to such entry.

(ii) On or before fifteen (15) days after execution of this Agreement, Seller shall deliver to Buyer true and correct copies of all title policies, leases, contracts affecting the Property, and documents relating to hazardous substances on the Property, if in Seller's possession.

(c) Testing. Buyer shall have determined, on or before the Contingency Date, that it is satisfied with the results of and matters disclosed by soil tests, engineering inspections, hazardous waste and environmental reviews of the Property, and such other tests or review as Buyer deems appropriate, all such tests, inspections and reviews to be obtained at Buyer's sole cost and expense.

(d) Survey. Buyer shall receive a survey showing proper access to the Property, if in Seller's possession. If Seller does not have a survey to provide Buyer, or if Seller's survey does not show proper access to the Property in a manner acceptable to Buyer, Buyer shall obtain a Survey at Buyer's sole cost that satisfies this requirement.

(e) Governmental Approvals. Buyer shall have obtained, at its sole cost and expense, on or before the Closing Date all final governmental approvals necessary in Buyer's sole discretion to make use of the Property which Buyer intends.

Buyer shall have thirty (30) days from the Effective Date to conduct its due diligence upon and inspect the Property. The last day of the due diligence period shall be the "Contingency Date." Buyer shall have the right to extend the Contingency Date thirty (30) days in the event that additional time is needed to obtain necessary approvals or to perform and review tests or documents. The "Contingency Date" shall extend up and until the Closing date (as defined herein). If any such contingency has not been satisfied on or before the stated date, then this Agreement may be terminated, at Buyer's option, by written notice from Buyer to Seller. Such notice of termination may be given at any time on or before the Closing Date. Upon such termination, the Earnest Money and any interest accrued thereon shall be released to Buyer and upon such return, neither party will have any further rights or obligations regarding this Agreement or the Property. All the contingencies

set forth in this Agreement are specifically stated and agreed to be for the sole and exclusive benefit of the Buyer and the Buyer shall have the right to unilaterally waive any contingency by written notice to Seller. Buyer shall timely and diligently make efforts to accomplish the objectives set forth above. Seller shall cooperate with Buyer to accomplish Buyer's purpose as long as Seller shall incur no expense, liability or affirmative obligation.

4. Closing. The closing of the purchase and sale contemplated by this Agreement (the "Closing") shall occur on or before thirty (30) days after the Contingency Date. The Closing shall take place at the office of the Title company mutually selected by Buyer and Seller, or at such other place as may be agreed to. Seller agrees to deliver possession of the Property to Buyer on the Closing Date.

A. Seller's Closing Documents. On the Closing Date, Seller shall execute and/or deliver to Buyer the following (collectively "Seller's Closing Documents"):

- (1) Deed. A Limited Warranty Deed, in form reasonably satisfactory to Buyer, conveying the Real Property to Buyer, free and clear of all encumbrances, except the Permitted Encumbrances hereafter defined.
- (2) Title Policy. A suitably marked up Commitment for Title Insurance initiated by a mutually agreed upon Title company, in the form required by this Agreement.
- (3) Seller's Affidavit. An Affidavit of Title by Seller indicating that on the Closing Date there are no outstanding, unsatisfied judgments, tax liens or bankruptcies against or involving Seller or the Real Property; that there has been no skill, labor or material furnished to the Real Property for which payment has not been made or for which mechanics' liens could be filed; and that there are no other unrecorded interests in the Real Property, together with whatever standard owner's affidavit and/or indemnity (ALTA Form) which may be required by Title to issue an Owner's Policy of Title Insurance with the standard exceptions waived.
- (4) Other Documents. All other documents reasonably determined by Buyer or Buyer's title company to be necessary to transfer the Property to Buyer free and clear of all encumbrances.

B. Buyer's Closing Documents. On the Closing Date, Buyer will execute and/or deliver to Seller the following (collectively, "Buyer's Closing Documents"):

- (1) Purchase Price. The Purchase Price, by wire transfer of U.S. Federal Funds, to be received in Title's trust account or delivered to Seller on or before 2:00 p.m. on the Closing Date.
- (2) Title Documents. Such affidavits of Purchaser, Certificates of Value or other documents as may be reasonably required by Buyer's Title company in order to record the Seller's Closing Documents and issue the Title Insurance Policy required by this Agreement.

5. Prorations. Seller and Buyer agree to the following prorations and allocation of costs regarding this Agreement:

- (a) Title insurance and Closing Fee. Seller will pay all costs of the Title Evidence, including costs for a Commitment for an Owner's Policy of Title Insurance. The Buyer will pay for the Owner's Title Policy and all additional premiums required for the issuance of any mortgagee's Title Policy required by Buyer. Buyer will pay all reasonable and customary closing fees or charges imposed by any closing agent.
- (b) Deed Tax. Seller shall pay all state deed tax regarding the Limited Warranty Deed to be delivered by Seller under this Agreement. Buyer shall pay all Mortgage Registry Tax regarding the recording of any mortgage securing the Buyer's loan.
- (c) Real Estate Taxes and Special Assessments. Seller will pay, on or before the Closing Date, all special assessments levied or constituting a lien against the Real Property as of the Closing Date including any installments of special assessments certified for payment with general real estate taxes payable in the year of Closing other than those specific assessments being paid by Buyer as part of the Purchase Price. General real estate taxes payable in 2019 shall be prorated by Seller and Buyer as of the Closing Date based upon a calendar fiscal year. Buyer shall pay all deferred real estate taxes or special assessments which may become payable as a result of the sale contemplated hereby. Buyer shall assume any pending special assessments as of the date of this document, if any. Buyer shall also be responsible for the payment of all costs related to any labor, materials, or other improvements provided to or benefitting the subject parcel including the sewer line servicing the property. In the event that Buyer does not make any of the required payments hereunder, Seller shall, at its sole option, make such payments and shall be repaid at closing for any such costs advanced.
- (d) Recording Costs. Seller will pay the cost of recording all documents necessary to place record title in the condition warranted and requested by Buyer in this Agreement.

- (e) Other Costs. All other closing costs not already allocated between the Parties herein shall be split between the Parties at closing. All other operating costs of the Property, will be allocated between Seller and Buyer as of the Closing Date, so that Seller pays that part of such other operating costs payable before the Closing Date, and Buyer pays that part of such operating costs payable from and after the Closing Date.

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

- (a) Seller's Title Evidence. Seller shall, within ten (10) days after the date of this Agreement, furnish the following (collectively, "Title Evidence") to Buyer:

(1) Title Insurance Commitment. A commitment ("Title Commitment") for an ALTA Form B 2006 Owner's Policy of Title Insurance insuring title to the Real Property, deleting standard exceptions and including affirmative insurance regarding contiguity, appurtenant easements and such other matters as may be identified by Buyer, in the amount of the Purchase Price, issued by Buyer's Title company. The Title Commitment will commit Title to insure title to the Property subject only to the Permitted Encumbrances including any encumbrances of record

(2) Survey. A copy of the survey in Seller's possession, if any, subject to the terms of 3(d), above.

- (b) Buyer's Objections. Within fifteen (15) days after receiving the last of the Title Evidence, Buyer may make written objections ("Objections") to the form and/or contents of the Title Evidence. Buyer's failure to make Objections within such time period will constitute waiver of Objections. Any matter shown on such Title Evidence and not objected to by Buyer shall be a "Permitted Encumbrance" hereunder. Seller will have sixty (60) days after receipt of the Objections to cure the Objections, during which period the Closing will be postponed as necessary. Seller shall use its best efforts to correct any Objections. If the Objections are not cured within such sixty (60) day period, Buyer will have the option to do any of the following:

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

(2) Waive the objections and proceed to close.

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

- (a) Title to Real Property. Seller owns the Real Property, free and clear of all encumbrances except the Permitted Encumbrance identified on **Exhibit B** attached hereto (the "Permitted Encumbrances"), except mortgages of record which will be paid in full on the Closing Date.

- (b) Assessments. Seller has received no notice of actual or threatened special assessments or reassessments related to or arising out of the Real Property except those assessments made part of the Purchase Price.

- (c) Rights of Others to Purchase Property. Seller has not entered into any other contracts for the sale of the Property, nor are there any rights of first refusal or options to purchase the Property or any other rights of others that might prevent the consummation of this Agreement.

- (d) Seller's Defaults. To the best of Seller's knowledge, Seller is not in default concerning any of its obligations or liabilities regarding the Property.

- (e) FIRPTA. Seller is not a "foreign person", "foreign partnership", "foreign trust" or "foreign estate" as those terms are defined in Section 1445 of the Internal Revenue Code.

- (f) Proceedings. There is no action, litigation, investigation, condemnation or proceeding of any kind pending or to the best knowledge of Seller, threatened against Seller or any portion of the Property.

Except as herein expressly stated, Buyer is purchasing the Property based upon its own investigation and inquiry and is not relying on any representation of Seller or other person and is agreeing to accept and purchase the property "as is, where is" subject to the conditions of examination herein set forth and the express warranties herein contained.

8. Damage. If, prior to the Closing Date, all or any part of the Property is substantially damaged by fire casualty, the elements or any other cause, Seller shall immediately give notice to Buyer of such fact and at Buyer's option (to be exercised within fifteen (15) days after Seller's notice), this Agreement shall terminate, in which event neither party will have any further obligations under this Agreement and the Earnest Money, together with any accrued interest, shall be refunded to Buyer. If Buyer fails to elect to terminate despite such damage, or if the Property is damaged but not

substantially, Seller shall promptly commence to repair such damage or destruction and return the property to its condition prior to such damage. If such damage shall be completely repaired prior to the Closing Date then there shall be no reduction in the Purchase Price and Seller shall retain the proceeds of all insurance related to such damage. If such damage shall not be completely repaired prior to the Closing Date but Seller is diligently proceeding to repair, then Seller shall complete the repair after the Closing Date and shall be entitled to receive the proceeds of all insurance related to such damage after repair is completed; provided, however, Buyer shall have the right to delay the Closing Date until repair is completed. If Seller shall fail to diligently proceed to repair such damage then Buyer shall have the right to require a closing to occur and the Purchase Price (and specifically the cash portion payable at the Closing Date) shall be reduced by the cost of such repair or at Buyer's option, the Seller shall assign to Buyer all right to receive the proceeds of all insurance related to such damage and the Purchase Price shall remain the same. For purposes of this Section, the words "substantially damaged" means damage that would cost \$7,500.00 or more to repair.

9. Condemnation. If, prior to the Closing Date, eminent domain proceedings are commenced against all or any part of the Property, Seller shall immediately give notice to Buyer of such fact and at Buyer's option (to be exercised within thirty days after Seller's notice), this Agreement shall terminate, in which event neither party will have further obligations under this Agreement and the Earnest Money together with any accrued interest, shall be refunded to buyer. If Buyer shall fail to give such notice then there shall be no reduction in the Purchase Price, and Seller shall assign to Buyer at the Closing Date all of Seller's right, title and interest in and to any award made or to be made in the condemnation proceedings. Prior to the Closing Date, Seller shall not designate counsel, appear in, or otherwise act with respect to the condemnation proceedings without Buyer's prior written consent.

10. Broker's Commission. Each party represents they have not utilized the services of a real estate broker in this transaction. Each party agrees to indemnify and hold the other harmless from any and all claims made by any party through them for a real estate commission or fee in connection with this transaction.

11. Mutual Indemnification. Seller and Buyer agree to indemnify each other against, and hold each other harmless from, all liabilities (including reasonable attorneys' fees in defending against claims) arising out of the ownership, operation or maintenance of the Property for their respective periods of ownership. Such rights to indemnification will not arise to the extent that (a) the party seeking indemnification actually receives insurance proceeds or other cash payment directly attributable to the liability in question (net of the cost of collection, including reasonable attorneys' fees) or (b) the claim for indemnification arises out of the act or neglect of the party seeking indemnification. If and to the extent that the indemnified party has insurance coverage, or the right to make claim against any third party for any amount to be indemnified against as set forth above, the indemnified party will, upon full performance by the indemnifying party of this indemnification obligations, assign such rights to the indemnifying party or, if such rights are not assignable, the indemnified party will diligently pursue such rights by appropriate legal action or proceeding and assign the recovery and/or right of recovery to the indemnifying party to the extent of the indemnification payment made by such party.

12. Survival. All of the terms of this Agreement will survive and be enforceable after the Closing for a period of one (1) year.

13. Notices. Any notice required or permitted to be given by any party upon the other is given in accordance with this Agreement if it is directed to Seller by delivering it personally to an officer of Seller, or if it is directed to Buyer, by delivering it personally to an officer of Buyer, or if mailed in a sealed wrapper by United States registered or certified mail, return receipt requested, postage prepaid, or if deposited cost paid with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Buyer: Benjamin Oliver  
5729 220<sup>th</sup> Street North  
Forest Lake, MN 55025

If to Seller: Scott A. Witty  
Hanft Fride, A Professional Association  
1000 U.S. Bank Place  
130 West Superior St.  
Duluth, MN 55802

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

14. Maintenance of Real Property. Seller shall, during the term of this Agreement, cause the Real Property to be maintained consistent with the past practice, reasonable wear and tear excepted.

15. Cooperation. Seller and Buyer shall cooperate and do all acts as may be reasonably required or requested by the other with regard to the fulfillment of any conditions precedent contained in this Agreement.

16. Well and Sewage Treatment System Disclosure. Seller certifies that there is not a well and septic system on the described real property. Seller is not aware of any methamphetamine production that has occurred on the Real Property.

17. Lead Paint Addendum/Radon Disclosure. This Agreement is not subject to the Lead Paint Addendum for housing constructed before 1978.

18. Captions. The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

19. Entire Agreement; Modification. This written Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the Property. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in writing executed by the parties.

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

21. Controlling Law. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.

22. Remedies. If Buyer defaults under this Agreement, Seller shall have the right to terminate this Agreement by giving written notice to Buyer. If Buyer fails to cure such default within thirty (30) days of the date of such notice, this Agreement will terminate, and upon such termination Seller will retain the Earnest Money as liquidated damages, time being of the essence of this Agreement. The termination of the Agreement and retention of the Earnest Money will be the sole remedy available to Seller for such default by Buyer, and Buyer will not be liable for damages or specific performance. If Seller defaults under this Agreement, Buyer's sole remedy shall be the right to seek specific performance of this Agreement, provided such action is commenced within one (1) year of such default and Seller will not be liable for damages.

23. Additional Terms. The Parties hereby agree to the following additional terms, all of which shall survive closing:

(a) Buyer shall, post-closing, be allowed to use up to ten percent (10%) of the capacity of the Castle Danger Subordinate Service District Waste Water Collection and Treatment System. Any use by Buyer in excess of said ten percent (10%) shall be paid by Buyer at a prorated rate determined by commercially reasonable standards.

(b) Buyer shall proceed with development of the Real Property as soon as is practically reasonable following closing. Development of the Real property shall include the use of the current sewer district services.

(c) Buyer shall proceed with an Application for the adjustment of lot lines for the Real Property to add 1.36 acres or more to a currently non-conforming adjacent parcel (said non-conforming parcel having a parcel ID number of 29.5454.1040).

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

Date of Signature:  
\_\_\_\_\_, 2019

BUYER:  
\_\_\_\_\_  
Benjamin Oliver

Date of Signature:  
\_\_\_\_\_, 2019

SELLER:  
\_\_\_\_\_  
Town of Silver Creek  
By: Greg Hull  
Town Board Chair

**EXHIBIT A**

**Legal Description**

PARCEL 1:

Lot One (1), Block One (1), GOOSEBERRY VILLAGE, Lake County, Minnesota.

Torrens Property Certificate of Title No. 16,640

Address: 3181 Hwy 61, Two Harbors, MN 55616

PID: 29-5454-01010

PARCEL 2:

Lot Two (2), Block One (1), GOOSEBERRY VILLAGE, Lake County, Minnesota.

Torrens Property Certificate of Title No. 16,641

Address: n/a

PID: 29-5454-01020

PARCEL 3:

Lot Three (3), Block One (1), GOOSEBERRY VILLAGE, Lake County, Minnesota.

Torrens Property Certificate of Title No. 16,642

Address: n/a

PID: 29-5454-01030

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**EXHIBIT B**

**Permitted Encumbrances**

1. Building and zoning laws, ordinances, state and federal regulations;
  2. Restrictions relating to use or improvement of the Property without effective forfeiture provisions;
  3. Reservation of any minerals or mineral rights.
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**REVIEW MINUTES:**

Motion by Hoops, second Hull to accept as presented the 1/8 Committee of the Whole Meeting minutes. And, motion by Hoops second Moen to also accept as presented the 12/18 Regular Meeting minutes. Passed unanimously.

**TREASURER'S REPORT:**

The Treasurer's Report was presented by Pellman as follows: TOSC checking: \$62,648.96 and TOSC savings: \$279,469.49 for a total of \$342,118.45. Outstanding Checks totaled \$5,713.62 for a CTAS balance: \$336,404.83. Motion by Hoops, second Moen to authorize the requested transfer of \$20,000. Motion by Moen, second Hoops to accept the December Treasurer's Report as presented.

**READING OF THE BILLS:**

The current month's bills were read: claims 5930-5931 and 8323-8344 totaling \$12,735.38; and payrolls through 01/18/2019. The Clerk noted that an annual \$1000 transfer from the Sewer Enterprise fund to the Road and Bridge fund to pay for the sewer truck per township policy was made in early January. Motion by Hoops, second Moen, to authorize payment of the bills as presented. Motion carried unanimously.

**CORRESPONDENCE:**

- A request from Lake County to hold their October Committee of the Whole meeting in Silver Creek on October 15<sup>th</sup> was discussed and accepted. To accommodate this request and avoid a conflict, the Silver Creek October COW meeting was rescheduled to October 8<sup>th</sup>.
- A notice from Minnesota Unemployment Insurance regarding Anderson's filing for unemployment based upon his hours being reduced was reviewed.
- The Lake County Environmental Services Solid Waste Edition newsletter was distributed.

**OLD BUSINESS:****NEW BUSINESS:**

- New Mileage Reimbursement Rate – Motion by Hoops, second Moen to adopt the federally approved mileage reimbursement rate of \$0.58 per mile for use of a personal vehicle when conducting township business. Passed unanimously.
- COLA Raises – Motion by Hull, second Moen to provide a 2.2% cost of living wage increase for hourly employees: Reineccius, Thompson, Anderson and Hoops per regular Township policy. Passed unanimously with Hoops abstaining.
- Township Election Polling Hours – Motion by Hoops second Moen to set the polling hours for the March 12 Township Election as follows: open at 12:00 noon March 12 and close at 8:00 p.m.
- Election Judges – Motion by Hoops, second Moen to approve the following judges for the March 12 Township Election: Sue Hilliard, John Norine, Valerie Johnson and Alison Oftedahl.
- Absentee Ballot Board – Motion by Hull, second Hoops to appoint the following judges to the Absentee Ballot Board: Sue Hilliard, Valerie Johnson and Alison Oftedahl.
- Potential Ban of Firearms at Election – The Board discussed a complaint raised by one of the election judges regarding firearms in the polling place. There was consensus that it would be nice to ban guns for that one day only on Election Day. However, the MAT attorneys had indicated that such a law would not be legal. There was not a firm consensus on banning guns from the premises completely, so no action was taken.

**PENDING ISSUES:**

- Newsletter – The Board discussed whether to send the newsletter to all property owners in Silver Creek or to only send it to full time residents. To reach cabin owners, a number of copies would need to be sent out of town. The Board favored limiting the distribution to permanent residents of Silver Creek and allow out-of-town property owners to read the newsletter via Silver Creek's website.
- Old Town Hall Larger Maintenance Items – Not discussed.
- Cemetery – Discussion on cemetery issues is planned for January 22.

- Road Sign for Township Buildings – Silver Creek Signworks acknowledged the order for the road signs and is working on production.
- Cemetery and Sewer Pond Mowing Bids – After discussion regarding the difficulty of purchasing mowers without a demo and test drive, it was agreed that purchase should wait until summer. Therefore, the Board decided to go ahead and hire a vendor for mowing for one more season until a new mower can be purchased. Bids from North Harbor Services and North Shore Tree and Stump Removal were reviewed. Motion by Hoops, second Hull to accept the bid of North Shore Tree and Stump Removal provided they submit a certificate of liability insurance, Minnesota Contractor Withholding Affidavit and a contract. The Clerk was asked to follow up on obtaining these items.

There being no further business, a motion was made by Moen, second Hoops, to adjourn the meeting at 7:55 p.m. Motion carried unanimously. The next regular meeting of the Board will be held on Tuesday February 19, 2019 at 6:00 p.m. in the Board Meeting Room.

Respectfully submitted,  
Alison Oftedahl, Clerk