Our Vision: Being Minnesota's favorite place.
Our Mission: Serve well. Deliver value. Drive results.
Our Values: Be responsible. Treat people right. Build a better future.

AGENDA

Crow Wing County Board of Commissioners
Regular Meeting

04/28/2026
9:00 AM
County Board Room, 3rd Floor, Historic Courthouse, Brainerd MN

*Note: Times are approximate

The agenda has been published as shown below but is subject to change to include such business as may come before the Board.

ATTEND IN-PERSON OR BY MICROSOFT TEAMS (CALL 218-302-1725, CONFERENCE ID: 235 601 745#); LIVESTREAM AVAILABLE AT WWW.CROWWING.GOV OR ON THE CROW WING COUNTY YOUTUBE CHANNEL

ONE OR MORE MEMBERS OF THE COUNTY BOARD MAY ATTEND REMOTELY

1. **9:00 AM Call to Order and Pledge of Allegiance**

2. **Open Forum**

3. **Review and Approve Minutes**

   3.1. 04/14/2026 Regular County Board Meeting Minutes
   3.2. Amended Minutes of March 24, 2026, regular County Board meeting

4. **Review and Approve Agenda**

5. **Consent Agenda - Items are generally defined as items of routine business, not requiring discussion, and approved in one vote. Commissioners may elect to pull a Consent Agenda item(s) for discussion and/or separate action.**

   5.1. Bills
   5.2. Personnel Actions
   5.3. Data Request Policies Update
   5.4. Crow Wing County Elections Chain of Custody Plan 2026
   5.5. 2026 Amended and Reviewed Policies

5.6. 2026 New Tobacco License

5.7. Exempt Gambling Permit - American Legionville School Safety Patrol Training

5.8. Annual Outdoor Warning Siren Maintenance Service - Request for Proposal

5.9. 2026 State of MN Federal Boating Safety Equipment Grant Contract

5.10. Sponsor the City of Crosslake for Safe Streets For All (SS4A) funding.

6. **Community Services**

6.1. Resolution Declaring a Public Health Nuisance at 10042 Gilbert Trail, Brainerd, MN 56401

6.2. Resolution Renewal Request for 13734 County Road 25, Brainerd, MN 56401

7. **Land Services**

7.1. Cobblecrest Properties LLC – "Clearwater Point Second Addition" Preliminary Plat

7.2. Blackburn IM Ruttgers SPV LLC - "Ruttgers 1st Hole Golf Cottages 2nd Addition" Preliminary Plat

7.3. Blackburn IM Ruttgers SPV LLC - "Ruttgers 1st Hole Golf Cottages 2nd Addition" Final Plat

7.4. Blackburn IM Ruttgers SPV LLC - "Ruttgers Lakeside Cottages 2nd Addition" Preliminary Plat

7.5. Blackburn IM Ruttgers SPV LLC - "Ruttgers Lakeside Cottages 2nd Addition" Final Plat

8. **County Sheriff**

9. **County Attorney**

10. **County Administrator**

10.1. Senior Management Team Report

11. **Additional Business**

11.1. Amendment to the 2026 Crow Wing County Landfill Construction Contract

12. **Closed Session Pursuant to MS 13D.05, Pending Litigation (Whitefish Chain, LLC v. Crow Wing County)**

13. **Adjournment**

County Board Correspondence

04/28/26 Correspondence

For more information, call 218-824-1067
Crow Wing County Board of Commissioners meeting agendas are available online at
www.crowwing.gov

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Administration	Amber Berent
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: 04/14/2026 Regular County Board Meeting Minutes

PREVIOUS ACTION:

COMMENTS:

RECOMMENDED BOARD ACTION:
Approve the minutes of the April 14, 2026, regular County Board meeting.

Approximate length of presentation:

Crow Wing County
Board of Commissioners

Regular Meeting Minutes

04/14/2026
9:00 AM

County Board Room, 3rd Floor, Historic Courthouse,
Brainerd MN

1. **9:00 AM Call to Order and Pledge of Allegiance**

Present: Paul Koering (remote), Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

Also Present: County Administrator Deborah A. Erickson, County Attorney Kelsey Hopps (remote), Administrative Coordinator Amber Berent.

2. **Open Forum**

Katlyn Dykhoff spoke to the board about the 287g and ISGA agreements and requested they be placed on a future agenda for public discussion.

Jane Brekken spoke to the board about the 287g and ISGA agreements and posed several questions to the commissioners.

Patrick McDermott spoke to the board regarding the ATV trail on the edge of his property and requested the trail be moved onto DNR forest land.

3. **Review and Approve Minutes**

3.1 03/24/2026 Regular County Board Meeting Minutes

Approved the minutes of the March 24, 2026, regular County Board meeting.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jon Lubke
SECONDER:	Jamie Lee
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

3.2 Amended Minutes of the 02/24/2026 Regular County Board Meeting

Approved the amended minutes of the February 24, 2026, regular County Board meeting.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jon Lubke
SECONDER:	Jamie Lee
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

4. **Review and Approve Agenda**

Approved the agenda of the April 14, 2026, regular County Board meeting.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Steve Barrows
SECONDER:	Jamie Lee
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

5. **Consent Agenda - Items are generally defined as items of routine business, not requiring discussion, and approved in one vote. Commissioners may elect to pull a Consent Agenda item(s) for discussion and/or separate action.**

Approved the following consent agenda.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Steve Barrows
SECONDER:	Jamie Lee
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

5.1 Bills

Approved the following expenditure listing for April 14, 2026, with the full listing available on file in the Office of the Administrative Services Director:

General Fund	$507,598.40
Restricted & Committed Funds	225,272.38
Highway Fund	183,556.19
Community Services Fund	12,667.32
Solid Waste (Non-Landfill) Fund	55,669.44
Land Management Fund	792.83
Unorganized Territories Fund	35,722.91
Ditch Fund	108.90
Capital Projects Fund	140,764.20
Landfill Fund	190,959.30
State of Emergency	15,272.00
	$1,368,383.87

5.2 Personnel Actions

Approved the Human Resource Report for Personnel Actions dated April 14, 2026, as on file.

5.3 Crow Wing County Lease Agreement with the Mississippi Headwaters Board

Approved Resolution **2026-24** (attached): Lease agreement between Crow Wing County and Mississippi Headwaters Board.

5.4 Exempt Gambling Permit - Turn-In Poachers Inc.

Approved the Minnesota Lawful Gambling Application for Exempt Permits for Turn-In Poachers Inc. to be held on the date of June 6, 2026, at Crow Wing County Fairgrounds/Brainerd Curling Club, Town of Oak Lawn subject to all State Laws and upon approval of said dates, the applicants submitting a copy of reports required by the State.

5.5 Exempt Gambling Permit - One Family One Cause

Approved the Minnesota Lawful Gambling Application for an Exempt Permit for One Family One Cause to be held on June 27, 2026, at the North Central Speedway, Crow Wing Township, subject to all State Laws and upon approval of said dates, the applicant submitting a copy of reports required by the State.

5.6 Out-of-state travel for training/conference

Approved of out of state travel for two correctional staff to attend the 2026 Conference on Crimes Against Women.

5.7 Overdose Fatality Response Team Grant

Approved Crow Wing County Community Services Director to sign the Overdose Fatality Response Team Grant.

5.8 MnDOT Detour Agreement No.1062427

Approved Resolution **2026-25** (attached): MnDOT Detour Agreement No.1062427.

5.9 MnDOT Detour Agreement No.1062371

Approved Resolution **2026-26** (attached): MnDOT Detour Agreement No.1062371.

5.10 Award Contract for Contract No. 26011 for Projects CP 018-200-163

Authorized entering into a contract with Anderson Brothers Construction Company LLC in the amount of $349.883.30 for projects CP 018-200-163 (Bit spot surfacing for County Highways) and authorize the Chair of the County Board and County Administrator to sign said contract subject to review by the County Attorney.

5.11 Award Contract for Contract No. 26014 for Projects CP 018-200-166 and CP 018-300-062

Authorized entering into a contract with Kowalczyk Gravel in the amount of $328,442. for projects CP 018-200-166 and CP 018-300-062 (Aggregate surfacing for County Highways and FAD roadways) and authorize the Chair of the County Board and County Administrator to sign said contract subject to review by the County Attorney.

5.12 True County Assessor System

Approved Resolution **2026-27** (attached): True County Assessor System

5.13 2026 Crow Wing County Landfill Construction – Award Contract

Authorized entering into a contract with Pratt's Affordable Excavation Inc. in the amount of $4,444,540.00 for 2026 Crow Wing County Landfill Construction.

5.14 Sourcewell Community Benefit Funds Grant Application

Approved Resolution **2026-28** (attached): Sourcewell Community Benefit Funds Grant Application

5.15 Abatements

Approved the attached abatements as recommended by the Land Services Director.

Market Value Reduction/Classification Change

APPLICANT	DISTRICT	PARCEL NUMBER	PAYABLE YEAR	TAX	SETTLEMENT
State of Minnesota - DNR	Irondale Twp.	7103M000	2025	$128.00	Cancel
State of Minnesota - DNR	Irondale Twp.	7103M000	2026	$164.00	Cancel
Stephen & Eileen Johnson	Brainerd	41010552	2026	$1,228.00	$730.00

Homestead Classification

APPLICANT	DISTRICT	PARCEL NUMBER	PAYABLE YEAR	TAX	SETTLEMENT
Geordon Goodell & Alysa Beauregard	Baxter	40120801	2026	$4,478.00	$4,330.00
Dustin Fuchs & Katie Silverberg	Baxter	40060630	2026	$3,260.00	$3,100.00
Scott & Nona Malz	Nokay Lake Twp.	78140547	2026	$3,862.00	$3,132.00
Dennis Casey & Patricia Lynch	Bay Lake Twp.	50130508	2026	$740.00	$552.00

Settlement Applications

APPLICANT	DISTRICT	PARCEL NUMBER	PAYABLE YEAR	PENALTY/INTEREST	SETTLEMENT
Steve Slawson	Lake Edward	73030522	2025	$1,012.61	Cancel

6. Northland Reliability Project Update

6.1 Northland Reliability Project Update

7. **Community Services**

7.1 Sourcewell Community Impact Funding Application

Approved Community Services' request to apply for Sourcewell Community Impact Funding in the amount of $100,000.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Steve Barrows
SECONDER:	Jon Lubke
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

7.2 Community Services Shared Position with Aitkin County

Approved shared position agreement between Crow Wing County Community Services and Aitkin County Social Services.

RESULT:	**APPROVED**
MOVER:	Steve Barrows
SECONDER:	Jon Lubke
AYES:	Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee
NAYS:	Paul Koering

7.3 Request for Opioid Funding - BLADE
Denied opioid funding in the amount of $200 per school for supporting "grad blast" parties at local CWC high schools.

RESULT:	**FAILED**
MOVER:	Steve Barrows
SECONDER:	Jon Lubke
AYES:	Jon Lubke, Steve Barrows
NAYS:	Paul Koering, Rosemary Franzen, Jamie Lee

8. **County Engineering & Highway**

8.1 Approve 2026-2030 Highway Improvement Plan (HIP)

Approved the 2026-2030 Highway Improvement Plan (HIP). Direct the County Engineer to proceed with all the planning and engineering activities required to deliver the projects in the year identified in the 2026-2030 HIP.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jon Lubke
SECONDER:	Jamie Lee
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

9. **County Sheriff**

9.1 Fleet Vehicles Replacement & Additional Budget Amendment

Approved the Sheriff's Office Fleet Vehicles Replacement & Additional Budget Amendment.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jamie Lee
SECONDER:	Paul Koering
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

10. **County Attorney**

11. **County Administrator**

12. **Additional Business**

Commissioner Barrows acknowledged April 12-18 as National Telecommunicators Week and thanked Crow Wing County dispatchers for the job they do.

13. **Adjournment**

Adjourned the meeting at 10:27 AM.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Steve Barrows
SECONDER:	Jamie Lee
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

_____
Rosemary Franzen, Chair
Board of County Commissioners

_____
Deborah A. Erickson
County Administrator

Prepared by Amber Berent

BOARD OF COUNTY COMMISSIONERS
Crow Wing County, Minnesota

DATE: April 14, 2026 **Resolution: 2026-24**
OFFERED BY COMMISSIONERS: Barrows and Lubke
AYES: Koering, Lubke, Barrows, Franzen, Lee;

RESOLUTION: CROW WING COUNTY AND MISSISSIPPI HEADWATERS BOARD LEASE AGREEMENT

WHEREAS, The Mississippi Headwaters Board established by the counties of Clearwater, Hubbard, Beltrami, Cass, Itasca, Aitkin, Crow Wing, and Morrison by agreement entered into on February 22, 1980, pursuant to section 471.59, is established as a permanent board with authority to prepare, adopt, and implement a comprehensive land use plan designed to protect and enhance the Mississippi River and related shoreland areas situated within the counties, and

WHEREAS, Crow Wing County provides office space and associated facilities for the Mississippi Headwaters Board Executive Director, and

WHEREAS, an in-kind lease agreement has been updated, and

WHEREAS, the lease terms are for twenty-four (24) months, with a twelve (12) month renewal, and

WHEREAS, the Board Chair of each entity will review and sign the in-kind lease agreement.

NOW, THEREFORE, BE IT RESOLVED that the Crow Wing County Board of Commissioners, Approval of the in-kind lease agreement between Crow Wing County and the Mississippi Headwaters Board and authorize the Crow Wing County Board Chair to sign said agreement.

STATE OF MINNESOTA)
COUNTY OF CROW WING) ***ss***

I, Deborah A. Erickson, County Administrator, Crow Wing County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Crow Wing County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on April 14, 2026, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this 28th day of April 2026.

_____

DEBORAH A. ERICKSON
COUNTY ADMINISTRATOR

BOARD OF COUNTY COMMISSIONERS
Crow Wing County, Minnesota

DATE: April 14, 2026 **Resolution: 2026-25**
OFFERED BY COMMISSIONERS: Barrows and Lubke
AYES: Koering, Lubke, Barrows, Franzen, Lee;

RESOLUTION TO ENTER INTO DETOUR AGREEMENT NO. 1062427 WITH THE MINNESOTA DEPARTMENT OF TRANSPORTATION (MNDOT)

WHEREAS, the Minnesota Department of Transportation (MnDOT) is requesting to use portions of County State Aid Highway (CSAH) routes 3, 25, 45, 49 and CR 117 as detour routes for Trunk Highway (TH) 210 traffic associated with State Project No. 1805-80, and

WHEREAS, State Project No. 1805-80 is scheduled to begin during the 2026 roadway construction season and involves reconstruction of TH 210 (Washington Street) within Brainerd and Baxter, and

WHEREAS, detouring traffic will help facilitate a more timely and quality construction project for the residents of Crow Wing County, and

WHEREAS, MnDOT will compensate the County for the use of CSAH routes 3, 25, 45, 49 and CR 117 for the sum of $78,813.59 based on the projected levels of traffic, duration of use and length of the proposed detour segments

NOW, THEREFORE, BE IT RESOLVED that the Crow Wing County Board of Commissioners agree to enter into detour agreement No. 1062427 with MnDOT and is willing to accept payment in the sum of $78,813.59 in exchange for use of County routes as a project detour route.

IT IS FURTHER RESOLVED that the County Engineer is authorized to execute Agreement No. **1062427** on behalf of Crow Wing County.

STATE OF MINNESOTA)
COUNTY OF CROW WING) ***ss***

I, Deborah A. Erickson, County Administrator, Crow Wing County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Crow Wing County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on April 14, 2026, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this 28th day of April 2026.

_____
DEBORAH A. ERICKSON
COUNTY ADMINISTRATOR

BOARD OF COUNTY COMMISSIONERS
Crow Wing County, Minnesota

DATE: April 14, 2026 **Resolution: 2026-26**
OFFERED BY COMMISSIONERS: Barrows and Lubke
AYES: Koering, Lubke, Barrows, Franzen, Lee;

RESOLUTION TO ENTER INTO DETOUR AGREEMENT NO. 1062371 WITH THE MINNESOTA DEPARTMENT OF TRANSPORTATION (MNDOT)

WHEREAS, the Minnesota Department of Transportation (MnDOT) is requesting to use portions of County State Aid Highway (CSAH) routes 8, 14 and 26 as detour routes for Trunk Highway (TH) 169 traffic associated with State Project No. 1804-90, and

WHEREAS, State Project No. 1804-90 is scheduled to begin during the 2026 roadway construction season and involves reconstruction of TH 169 near Garrison, MN, and

WHEREAS, detouring traffic will help facilitate a more timely and quality construction project for the residents of Crow Wing County, and

WHEREAS, MnDOT will compensate the County for the use of CSAH routes 8, 14 and 26 for the sum of $79,496.19 based on the projected levels of traffic, duration of use and length of the proposed detour segments

NOW, THEREFORE, BE IT RESOLVED that the Crow Wing County Board of Commissioners agree to enter into detour agreement No. 1062371 with MnDOT and is willing to accept payment in the sum of $79,496.19 in exchange for use of County routes as a project detour route.

IT IS FURTHER RESOLVED that the County Engineer is authorized to execute Agreement No. **1062371** on behalf of Crow Wing County.

STATE OF MINNESOTA)
COUNTY OF CROW WING) ***ss***

I, Deborah A. Erickson, County Administrator, Crow Wing County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Crow Wing County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on April 14, 2026, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this 28th day of April 2026.

_____
DEBORAH A. ERICKSON
COUNTY ADMINISTRATOR

BOARD OF COUNTY COMMISSIONERS
Crow Wing County, Minnesota

DATE: April 14, 2026 **Resolution: 2026-27**
OFFERED BY COMMISSIONERS: Barrows and Lubke
AYES: Koering, Lubke, Barrows, Franzen, Lee;

TRUE COUNTY ASSESSOR SYSTEM

WHEREAS the Crow Wing County Land Service's Department provides the valuation and classification of all taxable property in Crow Wing County; and

WHEREAS the Crow Wing County Board of Commissioners believes the Crow Wing County taxpayers are best served by the assessment of the Crow Wing County Assessor and not by local assessors.

NOW THEREFORE, BE IT RESOLVED the Crow Wing County Board of Commissioners elects to have a "True County Assessor System" for the property tax assessment in Crow Wing County.

STATE OF MINNESOTA)
COUNTY OF CROW WING) ***ss***

I, Deborah A. Erickson, County Administrator, Crow Wing County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Crow Wing County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on April 14, 2026, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this 28th day of April 2026.

_____
DEBORAH A. ERICKSON
COUNTY ADMINISTRATOR

BOARD OF COUNTY COMMISSIONERS
Crow Wing County, Minnesota

DATE: April 14, 2026 **Resolution: 2026-28**
OFFERED BY COMMISSIONERS: Barrows and Lubke
AYES: Koering, Lubke, Barrows, Franzen, Lee;

SOURCEWELL COMMUNITY BENEFIT FUNDS GRANT APPLICATION

NOW, THEREFORE, BE IT RESOLVED that the Crow Wing County Board of Commissioners fully support Land Services in the construction of additional non-motorized trails in Crow Wing County. The County of Crow Wing further supports Land Services Staff in submitting a Community Benefit Fund application to Sourcewell to request financial support for Non-Motorized Trail Construction in the amount of $30,000

BE IT FURTHER RESOLVED the Board of Commissioners of the County of Crow Wing names the fiscal agent for the County of Crow Wing for this project as:

Tom Strack
Environmental Services Supervisor
Crow Wing County
15728 State Highway 210
Brainerd, MN 56401
Tom.Strack@crowwing.gov

STATE OF MINNESOTA)
COUNTY OF CROW WING) ss

I, Deborah A. Erickson, County Administrator, Crow Wing County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Crow Wing County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on April 14, 2026, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this 16th day of April 2026.

Deborah A. Erickson

DEBORAH A. ERICKSON
COUNTY ADMINISTRATOR

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Administration	Amber Berent
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Amended Minutes of March 24, 2026, regular County Board meeting

PREVIOUS ACTION:
04/14/2026 - Approved the minutes of the 03/24/2026 regular County Board meeting

COMMENTS:
The agenda of the 03/24/2026 meeting was amended to add the following:

- Request for County Board Support Letters for Brainerd/Baxter Wastewater Treatment Facility Funding Applications (FY2027 CDS & Community Project Funding)

The request was approved. A motion was made by Commissioner Barrows, Seconded by Commissioner Koering and passed unanimously. The minutes inaccurately stated Chair Franzen made the motion.

The correction has been made and is reflected in the attached copy.

Agenda Item 11 - Closed Session: The minutes incorrectly state that the closed session was entered at 10:27 PM and adjourned at 10:44 PM. The correct times are entered at 10:27 AM and adjourned at 10:44 AM.

The correction has been made and is reflected in the attached copy.

RECOMMENDED BOARD ACTION:
Approve the amended minutes of the March 24, 2026, regular County Board meeting.

Approximate length of presentation:

Crow Wing County
Board of Commissioners

Regular Meeting Minutes

03/24/2026
9:00 AM

County Board Room, 3rd Floor, Historic Courthouse,
Brainerd MN

1. **9:00 AM Call to Order and Pledge of Allegiance**

Present: Paul Koering (remote), Jon Lubke, Steve Barrows (remote), Rosemary Franzen, Jamie Lee

Also Present: County Administrator Deborah A. Erickson, County Attorney Kelsey Hopps, Administrative Coordinator Amber Berent

Commissioner Barrows exited the meeting at 9:44 AM

2. **Recognition of Retiring Employee Tina Ebertowski after 26 Years**

The board recognized the following employee who is retiring and thanked her for her service to Crow Wing County: Tina Ebertowski – 26 years of service.

3. **Open Forum**

Michael Duvall spoke about the 287g agreement and requested that a formal discussion about it be on a future County Board agenda.

Camille Lang spoke regarding the 287g agreement, it's potential effects and how it can take law enforcement officers away from their other duties.

Robert Grant spoke about the stop light at State Hwy 371 and County Rd 13 and stated that it cycles very quickly. He has attempted to advise MnDOT but it has not been resolved.

4. **Review and Approve Minutes**

4.1 03/10/2026 Regular County Board Meeting Minutes

Approved the minutes of the March 10, 2026, regular County Board meeting.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Paul Koering
SECONDER:	Jamie Lee
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

4.2 Amended Minutes of the February 10, 2026, regular County Board Meeting

Approved the amended minutes of the February 10, 2026, regular County Board Meeting.

RESULT:	**APPROVED AS AMENDED [UNANIMOUS]**
MOVER:	Steve Barrows
SECONDER:	Paul Koering
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

5. **Review and Approve Agenda**

Approved the agenda of the March 24, 2026, regular County Board meeting as amended.

RESULT:	**APPROVED AS AMENDED [UNANIMOUS]**
MOVER:	Jon Lubke
SECONDER:	Jamie Lee
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

ADD Request for County Board Support Letters for Brainerd/Baxter Wastewater Treatment Facility Funding Applications (FY2027 CDS & Community Project Funding)

Approve submission of County Board support letters for the Brainerd/Baxter Wastewater Treatment Facility funding applications (FY2027 Congressionally Directed Spending and Community Project Funding).

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Rosemary Franzen
SECONDER:	Paul Koering
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

6. **Consent Agenda - Items are generally defined as items of routine business, not requiring discussion, and approved in one vote. Commissioners may elect to pull a Consent Agenda item(s) for discussion and/or separate action.**

Approved the following consent agenda.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Paul Koering
SECONDER:	Jon Lubke
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

6.1 Bills

Approved the following expenditure listing for March 24, 2026, with the full listing available on file in the Office of the Administrative Services Director:

General Fund	$287,891.33
Restricted & Committed Funds	42,794.42
Highway Fund	132,089.90
Community Services Fund	96,553.55
Solid Waste (Non-Landfill) Fund	17,589.75
Land Management Fund	21,857.78
Unorganized Territories Fund	952.19
Capital Projects Fund	174,128.04
Landfill Fund	13,918.42
Child Protection	499.11

State of Emergency	9,765.56
	$798,040.05

6.2 Personnel Actions

Approved the Human Resource Report for Personnel Actions dated March 24, 2026, as on file.

6.3 Exempt Gambling Permit - Ducks Unlimited Garrison Wildlife Chapter

Approved the Minnesota Lawful Gambling Application for an Exempt Permit for the Ducks Unlimited Garrison Wildlife Chapter to be held on the date of April 26, 2026, at the Lonesome Pine Restaurant and Bar, Town of Bay Lake, subject to all State Laws and upon approval of said date, the applicant submitting a copy of reports required by the State.

6.4 Exempt Gambling Permit - Church of St. Mathias

Approved the Minnesota Lawful Gambling Application for an Exempt Permit for the Church of St. Mathias to be held on the date of June 28, 2026 at St. Mathias Park, St. Mathias Township, subject to all State Laws and upon approval of said date, the applicant submitting a copy of reports required by the State.

6.5 2026 Temporary On-Sale Liquor Licenses

Approved the 2026 Temporary On-Sale Liquor License applications:

- Brainerd American Legion Post 255 for the temporary on-sale of liquor at the Crow Wing County Fairgrounds, Town of Oak Lawn, on the dates of August 4 - August 6, 2026, as recommended by the Town of Oak Lawn, subject to recommendation by the County Attorney and County Sheriff, subject to all State requirements and any delinquent taxes being paid and authorize the Administrative Services Director to issue said License.
- Veterans of Foreign Wars for the temporary on-sale of liquor at the Crow Wing County Fairgrounds, Town of Oak Lawn, on the dates of August 7 - August 8, 2026, as recommended by the Town of Oak Lawn, subject to recommendation by the County Attorney and County Sheriff, subject to all State requirements and any delinquent taxes being paid and authorize the Administrative Services Director to issue said License.

6.6 Donations to Veterans Van Fund

Accepted the donations of $1,000.00 from John Gavin and $1,000.00 from Dale and Linda Bartel to the Crow Wing County Veterans Van Fund.

6.7 Tax Forfeited Apportionment

Approved Resolution **2026-22** (attached): Tax Forfeited Apportionment

6.8 Transfer Ditch 13 Funds to Highway Fund

Approved a transfer of funds in the amount of $3,361.57 for labor, equipment, and other costs incurred for 2025 from the Ditch 13 Fund to the Highway Fund.

6.9 Application for Cancellation of Forfeiture

Approved Resolution **2026-23** (attached): Application for Cancellation of Forfeiture

6.10 Right-of-Way for the County Road (CR) 109

Authorized the County Board Chair and Administrative Services Director to sign a permanent easement from tax forfeited property.

6.11 County State Aid Highway (CSAH) 11 Traffic and Eagle View Elementary Site Circulation Study

Authorized the County Board Chair to sign the Study, adopting the findings and recommendations.

6.12 Award Contract for Contract No. 26008 for Projects CP 18-200-140 and CP 18-300-48

Authorized entering into a contract between Asphalt Surface Technologies Corporation and Crow Wing County in the amount of $664,146.77 for Projects CP 18-200-140 and CP 18-300-48 (2026 Bituminous Seal Coat on CSAH 36, CR 142, and roads in the First Assessment District (FAD), City of Lake Shore, City of Crosslake, Fairfield Township, & Ross Lake Township) and authorized the Chair of the County Board and County Administrator to sign said contract subject to review by the County Attorney.

7. **Unorganized Territory**

7.1 Second Assessment First Responder Coverage

Approved first responder coverage of the Second Assessment District area be provided by Ross Lake First Responders.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jamie Lee
SECONDER:	Paul Koering
AYES:	Paul Koering, Jon Lubke, Steve Barrows, Rosemary Franzen, Jamie Lee

7.2 2027 Fire Assessment Calculations

7.3 Transfer First Assessment District (FAD) Funds to Highway Fund

Approved a transfer of funds in the amount of $130,587.27 for administration, construction, and maintenance costs incurred for 2025 from the FAD Fund to the Highway Fund.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jamie Lee
SECONDER:	Jon Lubke
AYES:	Paul Koering, Jon Lubke, Rosemary Franzen, Jamie Lee
ABSENT:	Steve Barrows

7.4 Transfer Second Assessment District (SAD) Funds to Highway Fund

Approved a transfer of funds in the amount of $7,687.46 for administration, construction, and maintenance costs incurred for 2025 from the SAD Fund to the Highway Fund.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jamie Lee
SECONDER:	Jon Lubke
AYES:	Paul Koering, Jon Lubke, Rosemary Franzen, Jamie Lee
ABSENT:	Steve Barrows

7.5 Brainerd Orderly Annexation

Denied the adoption of a resolution supporting the Brainerd Orderly Annexation approved by the Brainerd City Council on March 2nd, 2026.

RESULT:	**DENIED [UNANIMOUS]**
MOVER:	Rosemary Franzen
SECONDER:	Paul Koering
AYES:	Paul Koering, Jon Lubke, Rosemary Franzen, Jamie Lee
ABSENT:	Steve Barrows

8. **County Sheriff**

9. **County Attorney**

10. **County Administrator**

10.1 Senior Management Team Report

County Administrator Deborah Erickson provided an update on behalf of the Senior Management Team.

11. Closed Session

11.1 Labor Negotiation Strategy pursuant to MS 13D.03, Subd 1(b)

Entered Closed Session at 10:27 PM.

Present for the closed session for Labor Negotiation Strategy were Commissioners Koering (remote), Lubke, Franzen and Lee, County Administrator Deborah Erickson, Administrative Coordinator Amber Berent, Human Resources Manager Amy Fischer, Human Resources Generalist Krista Hesse, Chief Deputy Andy Bradley, Captain Adam Kronstedt.

RESULT:	**ENTERED CLOSED SESSION [UNANIMOUS]**
MOVER:	Jamie Lee
SECONDER:	Jon Lubke
AYES:	Paul Koering, Jon Lubke, Rosemary Franzen, Jamie Lee
ABSENT:	Steve Barrows

Adjourned Closed Session at 10:44 PM.

RESULT:	**ADJOURNED CLOSED SESSION [UNANIMOUS]**
MOVER:	Jon Lubke
SECONDER:	Jamie Lee
AYES:	Paul Koering, Jon Lubke, Rosemary Franzen, Jamie Lee
ABSENT:	Steve Barrows

12. **Human Resources**

12.1 Authorized entering in a Labor Agreement between Crow Wing County and Law Enforcement Labor Services, Inc. Local #14 representing Deputies effective January 1, 2026,through December 31, 2028, and the Chair, Human Resources Manager, and County Administrator are authorized to sign said agreement.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jamie Lee
SECONDER:	Jon Lubke
AYES:	Paul Koering, Jon Lubke, Rosemary Franzen, Jamie Lee
ABSENT:	Steve Barrows

13. **Additional Business**

14. **Adjournment**

Adjourned at 10:51 AM.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Paul Koering
SECONDER:	Jon Lubke
AYES:	Paul Koering, Jon Lubke, Rosemary Franzen, Jamie Lee
ABSENT:	Steve Barrows

_____
Rosemary Franzen, Chair
Board of County Commissioners

_____
Deborah A. Erickson
County Administrator

Prepared by Amber Berent

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Human Resources	Amy Fischer
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Personnel Actions

PREVIOUS ACTION:

COMMENTS:

RECOMMENDED BOARD ACTION:
Approve the Human Resource Report for Personnel Actions dated April 28, 2026, as on file.

Approximate length of presentation:

Human Resource Report
Personnel Actions
April 28, 2026

Replacement Staffing
Classification Title: 911 Operations Supervisor
Department: Sheriff's Office
Reason for Vacancy: Departure of Margaret Sherman June 1, 2026
Personnel Committee: Yes

Classification Title: Property Assessor
Department: Land Services
Reason for Vacancy: Departure of Jason Dann April 23, 2026
Personnel Committee: Yes

Classification Title: Business Analyst
Department: Land Services
Reason for Vacancy: Promotion of Brittney Tollefson May 11, 2026
Personnel Committee: No

Hires
Name: Emily Thompson
Classification Title: Sr. Technical Specialist
Department: Attorney
Start Date: May 11, 2026
Reason for Vacancy: Movement of Carmen Feierabend March 16, 2026

Promotions/Movement
Name: Brittney Tollefson
Classification Title: Business Manager
Department: Highway
Start Date: May 11, 2026
Reason for Vacancy: Departure of Kristi Keeler April 3, 2026

Name: Timothy Gerber
Classification Title: Investigator
Department: Sheriff's Office
Start Date: April 27, 2026
Reason for Vacancy: Departure of Phillip Stanley July 1, 2025

Departures
Name: Jason Dann
Classification Title: Property Assessor
Department: Land Services
Date of Departure: April 23, 2026

Name: Cindy Rader
Classification Title: Sr. Technical Specialist
Department: Highway
Date of Departure: May 1, 2026

Name: Patrick Sharbonda
Classification Title: Family Services Supervisor
Department: Community Services
Date of Departure: May 22, 2026

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Administration	Darcy Dwyer
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Data Request Policies Update

PREVIOUS ACTION:
Annual review and update on Data Request Policies approved on 07/22/25.

COMMENTS:

RECOMMENDED BOARD ACTION:
Approve the updated Data Request Policies.

Approximate length of presentation:

Crow Wing County Data Practices Policy For the Public

Minnesota Statutes, sections 13.025 and 13.03 require this policy.

Approved September 24, 2024
Amended April 28, 2026

Your Right to See Public Data

The Government Data Practices Act (Minnesota Statutes, Chapter 13) presumes that all government data are public unless a state or federal law says the data are not public. Government data means all recorded information a government entity has, including paper, email, flash drives, CDs, DVDs, photographs, etc.

The law also says that Crow Wing County must keep all government data in a way that makes it easy for you to access public data. You have the right to look at (inspect), free of charge, all public data that we keep. You also have the right to get copies of public data. The Data Practices Act allows us to charge for copies. You have the right to look at data, free of charge, before deciding to request copies.

How to Request Public Data

You can ask to look at (inspect) data at our offices, or ask for copies of public data that we keep. Make a written request. You may make your request through our data request center on our website or email DataRequest@crowwing.gov
You may also come to the County Administrators Office and fill out a form at the customer service counter. Or you may use the data request form on page 6. We will not accept verbal requests for data.

If you do not use the data request form, your request should:

- Say that you are making a request for public data under the Government Data Practices Act (Minnesota Statutes, Chapter 13).
- Include whether you would like to inspect the data, have copies of the data, or both.
- Provide a clear description of the data you would like to inspect or have copied.

You are not required to identify yourself or explain the reason for your data request. However, you may need to provide us with some personal information for practical reasons (for example: if you want us to mail copies to you, you need to provide us with an address or P.O Box). If we do not understand your request and have no way to contact you, we cannot respond to your request.

How We Will Respond to Your Data Request

Upon receiving your request, we will review it.

- We may ask you to clarify what data you are requesting.
- If we do not have the data, we will notify you in writing within 10 business days.
- If we have the data, but we are not allowed to give it to you, we will tell you as soon as reasonably possible and identify the law that prevents us from providing the data.

- If we have the data, and the data are public, we will respond to your request appropriately and promptly, within a reasonable amount of time by doing one of the following:
    - Arrange a date, time, and place for you to inspect the data at our offices; or
    - You may choose to pick up your copies, or we will email them to you. We will provide electronic copies upon request, if we keep the data in that format and we can reasonably make a copy.
    - We will provide notice to you about our requirement to prepay regardless if we make a copy or email it.
    - Response time may be impacted by the size and/or complexity of your request, and also by the number of requests you make in a given period of time.
    - Following our response, if you do not make arrangements within 10 business days to inspect the data or pay for copies, we will conclude that you no longer want the data and will consider your request closed.
    - If a responsible authority has notified the requesting person that responsive data or copies are available for inspection or collection, and the requesting person does not inspect the data or collect the copies within five business days of the notification, the responsible authority may suspend any further response to the request until the requesting person inspects the data that has been made available or collects and pays for the copies that have been produced.

If you do not understand some of the data (technical terminology, abbreviations, or acronyms), please tell the person who provided the data to you. We will give you an explanation if you ask.

The Data Practices Act does not require us to create or collect new data in response to a data request, or to provide data in a specific form or arrangement if we do not keep the data in that form or arrangement. For example, if the data you request are on paper only, we are not required to create electronic documents to respond to your request. If we agree to create data in response to your request, we will work with you on the details of your request, including cost and response time.

We are also not required to respond to questions that are not about your data requests, or requests for government data.

Requests for Summary Data

Summary data are statistical records or reports created by removing identifying information about individuals from entirely private or confidential data.

We will prepare summary data if you make your request in writing and prepay for the cost of creating the data.

You may use the data request form on page 6 to request summary data. We will respond to your request within ten business days with the data or details of when the data will be ready and how much we will charge you.

Data Practices Contacts

Responsible Authority

Name: County Admininstrator

Address: 326 Laurel St. Suite 13, Brainerd MN 56401

Phone number/email address: 218-824-1067 coadmin@crowwing.gov

As Responsible Authority, the County Administrator orders the following individual as data practices compliance official and designees.

Data Practices Compliance Official

Name: County Attorney

Address: 213 Laurel St. Suite 31, Brainerd MN 56401

Phone number: 218-824-1025

Copy Costs – When You Request Public Data

Minnesota Statutes, section 13.03, subdivision 3(c) allows us to charge for copies.

- You must pay for the copies before data is released either with paper copies or electronically.
- The Responsible Authority has the discretion to waive charges after a review of the data request.
- Multiple requests made within the same 10 business day period will be treated as a single request for the purposes of calculating total copy costs.
- We will provide you with an estimation of the total cost of supplying copies.

For 100 or fewer paper copies – 25 cents per page

100 or fewer pages of black and white, letter or legal size paper copies cost 25¢ for a one-sided copy, or 50¢ for a two-sided copy.

Most other types of copies – actual cost

The charge for most other types of copies, when a charge is not set by statute or rule, is the actual cost of searching for and retrieving the data, and making the copies or electronically sending the data.

In determining the actual cost of making copies, we include employee time, the cost of the materials onto which we are copying the data, and mailing costs (if any). If your request is for copies of data that we cannot copy ourselves, such as photographs, we will charge you the actual cost we must pay an outside vendor for the copies.

Employee time to make copies will be calculated in a per hour rate. Copy charges set by Statute or Rule.

If, based on your request, we find it necessary for a higher-paid employee to search for and retrieve the data, we will calculate search and retrieval charges at the higher salary/wage.

Data Request Form – Requesting Public Data

Request date:

The data I am requesting:

Describe the data you are requesting as specifically as possible.

I am requesting access to data in the following way:

☐ Inspection

☐ Copies

☐ Both inspection and copies

Contact information (optional)*

Name:

phone number:

email address:

address:

Note: Inspection is free but Crow Wing County does charge for copies.

We will respond to your request as soon as reasonably possible.

* You do not have to provide any contact information. However, if you want us to mail/email you copies of data, we will need some type of contact information. We also need contact information if we do not understand your request. We will not work on your request until we can clarify it with you.

Notice of Adoption of Model Policies

Minnesota Statutes, section 13.025, subdivisions 2 and 3, require government entities to prepare written policies that relate to public access to government data, and rights of subjects of data and Minnesota Statutes, section 13.03, subdivision 2, requires entities to establish procedures so that data requests are complied with appropriately and promptly.

Minnesota Statutes, section 13.073, subd. 6, requires the Commissioner of Administration to prepare model policies and procedures to help government entities comply with those requirements. Entities that choose to adopt the Commissioner's model policies must notify the Commissioner. Please use the following statement to notify the Commissioner if you choose to adopt the model policies and procedures.*

Notice to Commissioner of Administration: Adoption of Model Policies

Crow Wing County has adopted the Commissioner's Model Policy for the Public and Model Policy for Data Subjects. This notice to the Commissioner satisfies Crow Wing County's obligation under Minnesota Statutes, section 13.073, subdivision 6.

Signed by: _____

Title: County Administrator_

Date: April 28, 2026__

**Government entities may submit this notification by mail or email:*

Commissioner of Administration
c/o Data Practices Office
200 Administration Building
50 Sherburne Avenue
St. Paul, MN 55155
info.dpo@state.mn.us

Approved September 24, 2024
Amended April 28, 2026

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Admin Services	Jory Danielson
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Crow Wing County Elections Chain of Custody Plan 2026

PREVIOUS ACTION:
This is a new requirement enacted by the 2025 MN State Legislature.

COMMENTS:
This has been reviewed by the Secretary of State's Office and the Crow Wing County Attorney's Office.

RECOMMENDED BOARD ACTION:
Approve the Crow Wing County Elections Chain of Custody Plan 2026 and authorize the Administrative Services Director to submit to the Minnesota Secretary of State's Office to comply with MS 204B.182.

Approximate length of presentation: 0

2026

Crow Wing County Chain of Custody Plan



Administrative Services

Crow Wing County

6/1/2026

CROW WING COUNTY CHAIN OF CUSTODY PLAN

SUBMISSION DUE DATE: JUNE 1, 2026

1. Purpose and Scope

This Chain of Custody Plan establishes procedures for safeguarding, documenting, and transferring election-related materials to ensure their integrity from receipt through storage, transport, and final disposition. This chain of custody plan, under the authority of Minn. Stat. 204B.182, applies to all county locations, municipalities, school districts, and special districts within Crow Wing County for all state, county, municipal, school district, and special district elections held in Crow Wing County, including elections involving multiple jurisdictions. This plan requires election officials of all levels and elections in Crow Wing County to document their plan for use of election-related materials, and by whom, including but not limited to ballots, voting equipment, databases, and documents containing sensitive information or voter data.

Cross-county jurisdictions; Crow Wing County is the 'Home' county per M.S. Rules 8240.0100 Subp.3.all other non-home jurisdictions and counties identified below. All non-home cross-county jurisdictions will follow the identified non-home county chain of custody plan.

School Districts

Home County School District
Brainerd (181) | Crow Wing
Crosby Ironton (182) | Crow Wing
Pequot Lakes (186) | Crow Wing

Non-Home School District/County
Aitkin (1) | Aitkin County
Little Falls (482) | Morrison County
Onamia (480) | Mille Lacs County
Pierz (484) | Morrison County
Pine River-Backus (2174) | Cass County

Hospital District: Home County for Cuyuna Range Hospital District is Crow Wing County

Home County Cuyuna Range Hospital District
City of Crosby | Crow Wing
City of Cuyuna | Crow Wing
City of Deerwood | Crow Wing
City of Emily | Crow Wing
City of Fifty Lakes | Crow Wing
City of Ironton | Crow Wing
City of Riverton | Crow Wing
City of Trommald | Crow Wing

Home County Cuyuna Range Hospital District
Bay Lake Township | Crow Wing
Deerwood Township | Crow Wing
Fairfield Township | Crow Wing
Irondale Township | Crow Wing
Little Pine Township | Crow Wing
Perry Lake Township | Crow Wing
Rabbit Lake Township | Crow Wing
Unorganized Dean Lake Township | Crow Wing
Wolford Township | Crow Wing

CROW WING COUNTY CHAIN OF CUSTODY PLAN

Mail Ballot Precincts Crow Wing County

Mail Ballot Precincts Crow Wing County
City of Cuyuna
City of Deerwood
City of Fort Ripley
City of Garrison
City of Jenkins
City of Manhattan Beach
City of Riverton
City of Trommald

Mail Ballot Precincts Crow Wing County
Gail Lake Township
Jenkins Township
Little Pine Township
Pelican Township
Perry Lake Township
Platte Lake Township
Rabbit Lake Township
Ross Lake Township
Timothy Township
Unorganized 2nd Assessment Dean Lake Twsp.

In-Person Ballot Precincts Crow Wing County

In-Person Ballot Precincts Crow Wing County
City of Baxter (4 Precincts)
City of Brainerd (9 precincts)
City of Breezy Point
City of Crosby
City of Crosslake
City of Emily
City of Fifty Lakes
City of Ironton
City of Nisswa
City of Pequot Lakes

March Township Election Crow Wing County
Bay Lake Township
Center Township
Crow Wing Township
Dagget Brook Township
Fairfield Township
Fort Ripley Township
Ideal Township
Maple Grove Township
Rabbit Lake Township
Roosevelt Township

In-Person Ballot Precincts Crow Wing County
Bay Lake Township
Center Township
Crow Wing Township
Dagget Brook Township
Deerwood Township
Fairfield Township
Fort Ripley Township
Garrison Township
Ideal Township
Irondale Township
Lake Edward Township
Long Lake Township
Maple Grove Township
Mission Township
Nokay Lake Township
Oak Lawn Township
Roosevelt Township
St. Mathis Township
Wolford Township
Unorganized 1st Assessment District (4 precincts)

CROW WING COUNTY CHAIN OF CUSTODY PLAN

2. Legal Authority

This plan complies with MS 204B.182 CHAIN OF CUSTODY PLANS., which mandates development of a comprehensive chain of custody process to secure election materials and ensure transparency and integrity.

Responsible Authority: Administrative Services Director of Crow Wing County (Jory Danielson), 326 Laurel Street, Suite 22, Brainerd, MN 56401, for Crow Wing County.

This plan is submitted to the Office of the Minnesota Secretary of State Elections Division annually by June 1 after County Board approval.

3. Definitions

- **Election Materials**: Ballots, voting machines, voter registration lists, election results, and related documents.
- **Custodian:** Authorized personnel responsible for handling election materials.
- **Chain of Custody:** The documented process of transfer, receipt, and storage of election materials, ensuring accountability at each step.
- **High-sensitivity items:**
    - Ballots, including blank ballot stock
    - Ballot scanners/Ballot boxes
    - Ballot marking devices (assistive voting devices)
    - Voting machines and printers
    - Electronic rosters
    - Paper rosters
    - Election administration forms (completed w/ voter information)
    - Summary statements (official completed summary statements)

4. Roles & Responsibilities

- **Administrative Services Director (County Auditor) and/or Deputy Auditors:** Develop, implement, and maintain this plan; oversee training; ensure compliance; document all custody transfers.
- **Election Staff and Election Judges:** Follow procedures; document all handling and transfers.
- **Designated Custodians:** Responsible for secure storage and transfer of materials.
- **Security Personnel:** Support physical security measures during storage and transport.
- **Election Vendors:** Ensure proper delivery and handling of all equipment or sensitive materials within their care and service.
- **Additional Staff:** Any staff in support of events or activities related to ballots, voting equipment, and official documents related to this chain of custody plan and operations are subject to these rules.

CROW WING COUNTY CHAIN OF CUSTODY PLAN

5. Physical and Cyber Security Measures MS 206.845, 204B.182 & 206.80

Physical Security

- Election materials secured or locked, with monitored facilities and/or restricted access.
- Use of secure containers and tamper-evident seals during transport and storage.
- Access logs are maintained for all personnel entering secure areas and transferring election items.
- Follow the Crow Wing County Emergency Plan if an emergency takes place.

Cyber & Systems Security

- Secure electronic systems with password protections, multi-factor authentication, and encryption is required.
- Limited access to election-related data and systems based on role is required.
- Regular data backups and secure storage of digital records will take place.
- Audit logs for all digital access and modifications is secured.
- Partnering with the Minnesota Secretary of State Elections Security Team will take place.

6. Chain of Custody Procedures

6.1 Receipt/Delivery of Election Materials

- All '**High-sensitivity items'** received/delivered must be logged immediately upon receipt/delivery using the ***Crow Wing County Chain of Custody Documentation Form***
- Verify the integrity of seals and packaging by election judges.
- Assign a unique batch number to each batch of processed ballots.
- Store materials in a secure, locked area with limited/documented access.

6.2 Storage

- Store all election materials in designated secure facilities with restricted access.
- Maintain an access log, recording date, time, personnel, and purpose.
- Conduct daily security checks and reconcile inventory.

6.3 Transportation

- Use secure, tamper-evident containers for transport.
- Transport only during authorized hours with authorized personnel signature(s) on form; (one signature from transport and the other for receiving if different).
- Complete the ***Crow Wing County Chain of Custody Documentation Form*** documenting:
    - Date and time
    - Personnel involved
    - Origin and destination
    - Seal or container numbers
    - Signature upon departure and arrival w/ date and time.

6.5 Pre/Post-Election Handling

- Store materials in a secure environment until returned for final disposition.
- Conduct inventory reconciliation.
- Document any discrepancies on the incident log and resolve promptly at any time during the elections process.
    - Then contact the elections office immediately.

7. Documentation and Recordkeeping

- Maintain all chain of custody documentation for a minimum of 22 months or as required by law.
- Store electronic records securely with backups.
- Ensure documentation is complete, accurate, and tamper evident.

8. Training

- Provide training to all election staff on chain of custody procedures, security protocols, and best practices. Official documents can be found in the elections “Red Book.”
- Maintain training records for required retention period.

9. Adoption, Review, and Revision

- County Chain of Custody Plans adopted under this plan must be filed with the Secretary of State by June 1 every state election year.
- Review this plan prior to every election cycle and after each election.
- Revisions must be approved by the County Administrative Services Director, County Attorney, County Board and filed with the Secretary of State by June 1.

10. Compliance and Additional Guidance

- Adhere to best practices outlined by the trusted election sources such as the county elections office and or Minnesota Secretary of State.
- Incorporate best practices from the Crow Wing County Continuity of Operations Plan.
- Coordinate with neighboring jurisdictions for consistent procedures where elections cross county lines.
- Submit all plans and revisions to the Secretary of State as required by law.

11. Attachments to Chain of Custody Documentation

- ***Crow Wing County Chain of Custody Documentation Form***
- ***Ballot Delivery Certificate to Election Judges***
- ***Tabulator Seal Certification Form***

Prepared by:
Jory Danielson, Administrative Services Director

_____ Date _____
Administrative Services Director, Crow Wing County

CROW WING COUNTY
CHAIN OF CUSTODY DOCUMENTATION FORM

Election Name: _____

Date: _____ **Time**: _____

From (Vendor) _____ **PO** _____

Materials:

☐ Absentee Ballots QTY _____

☐ Ballots QTY _____

☐ Programing Media QTY _____

☐ Memory Devices QTY _____

☐ Other QTY _____

Received By (Name & Title): _____

Stored Location: _____

Enclose Packing Slip

CROW WING COUNTY
CHAIN OF CUSTODY DOCUMENTATION FORM

VENDOR PACKING SLIP

CROW WING COUNTY
CHAIN OF CUSTODY DOCUMENTATION FORM

RECEIPT OF ELECTION MATERIALS/TRANSFER CUSTODY

Received from Crow Wing County Elections Administration, State of Minnesota, this ___day of _____20____, at_(time)____the following materials to be used for the _____ Election to be held on Tuesday, _____.

Polling Place Supplies

- ICE tabulator name _____
- PollPad electronic rosters #_____ #_____ #_____ #_____
- Memory devices sealed in tabulator (yes/no)
- Red Book (yes/no)
- _____Transfer case(s) of ballots containing _____official ballots
- TRANSFER CASE #1 SEAL NUMBER: _____ # BALLOTS_____
- TRANSFER CASE #2 SEAL NUMBER: _____ # BALLOTS_____
- TRANSFER CASE #3 SEAL NUMBER: _____ # BALLOTS_____
- TRANSFER CASE #4 SEAL NUMBER: _____ # BALLOTS_____

I attest I am a certified election judge, I am authorized to transport the above materials to the polling location, and I accept transfer of election materials. I have verified the listed equipment name/number matches the precinct and that the seal #'s on all ballot boxes are accurate. All supplies and equipment are intact and not damaged in any way.

_____ Election Judge

_____ Election Judge

Contact Phone numbers for Election day _____/_____

Transportation notes: Make of vehicle_____Color of vehicle_____

Transit notes:

_____

_____

Crow Wing County Election Administration _____

CROW WING COUNTY
CHAIN OF CUSTODY DOCUMENTATION FORM

PRECINCT STORAGE INFORMATION **(Prior to Election Day)**

Storage Location: _____

Access Restricted To: _____

Date Placed in Storage: _____ Time: _____

Signature of Election Custodian: _____

TRANSPORTATION DETAILS **(On Election Day Returns)**

Mode of Transport: ☐ In-person delivery ☐ Secure courier ☐ Law enforcement ☐Other:

Authorized Election Judge: _____

Authorized Election Judge (if accompanying): _____

Transportation notes: Make of vehicle_____ Color of vehicle _____

Estimated Arrival Time: _____

Transport Notes:

Enclosed: Route map

CROW WING COUNTY
CHAIN OF CUSTODY DOCUMENTATION FORM

RETURN OF ELECTION MATERIALS/TRANSFER CUSTODY

Returned to Crow Wing County Elections Administration, State of Minnesota, this ____day of _____ 20___, at_(time)____ the following materials used for the _____ Election held on Tuesday, _____.

Return of Polling Place Supplies

- ICE Tabulator: Name _____
- PollPad Electronic Rosters: #_____ #_____ #_____ #_____
- Red Book (Yes/No)

Crow Wing County Election Staff _____

Return of Election Materials

- Transfer envelope containing election results data and memory cards
- Transfer case(s) of ballots containing official ballots
- Completed Summary Statement

____Transfer case of ballots containing _____official ballots

TRANSFER CASE #1 SEAL NUMBER: _____

TRANSFER CASE #2 SEAL NUMBER: _____

TRANSFER CASE #3 SEAL NUMBER: _____

TRANSFER CASE #4 SEAL NUMBER: _____

Incident/Irregularites (broken seals, discrepancies, delays, or unusual circumstances:
☐ None

All above items have been received and stored in the designated secure area. Access to these areas are limited to Crow Wing County Election Administration staff. Entry to these areas requires logging of name, date and time of entry and reason for access.

I certify that the above materials were maintained in accordance with the Crow Wing County's Chain of Custody Plan and applicable Minnesota election laws including MS 204B.182 and custody is transferred back to Crow Wing County.

Crow Wing County Election Adminstration:

Name:_____ Signature:_____

CROW WING COUNTY
CHAIN OF CUSTODY DOCUMENTATION FORM

FINAL DISPOSITION

☐ Secured for Retention for 22 months ☐ Other: _____

Location of storage: _____

Final Election Custodian Name & Title: _____

Date: _____ Time: _____ Signature: _____

CERTIFICATION

I certify that the above materials were maintained in accordance with the Crow Wing County's Chain of Custody Plan and applicable Minnesota election laws including MS 204B.182.

Name: _____ Title: _____

Signature: _____ Date: _____

Notes:

_____

_____

CROW WING COUNTY
BALLOT DELIVERY CERTIFICATE TO THE ELECTION JUDGES

State General Primary/General/Special (DATE)
CROW WING COUNTY, MINNESOTA
Precinct Name

BALLOT DELIVERY CERTIFICATE TO THE ELECTION JUDGES

I certify that the number of ballots included in the transfer case(s) is (Number).

They have been counted, packaged, and sealed by myself or by my duly authorized representative.

Dated: (_____)

_____
JORY DANIELSON, ADMINISTRATIVE SERVICES DIRECTOR
CROW WING COUNTY, MINNESOTA

TRANSFER CASE #1 SEAL NUMBER: _____ # BALLOTS_____

TRANSFER CASE #2 SEAL NUMBER: _____ # BALLOTS_____

TRANSFER CASE #3 SEAL NUMBER: _____ # BALLOTS_____

TRANSFER CASE #4 SEAL NUMBER: _____ # BALLOTS_____

****

We certify the number of ballots delivered to our polling place is _____.

_____ Election Judge

_____ Election Judge

*This original document will be in the “Red Book.” Carbon copy in #1 transfer case.

CROW WING COUNTY
TABULATOR SEAL CERTIFICATION FORM

ELECTION NAME: _____

ELECTION DATE: _____

PRECINCT: _____

TABULATOR SEAL CERTIFICATION

I certify that the ImageCast Evolution (ICE) Tabulator for the above referenced precinct has been tested, cleared, and sealed by myself or by my duly authorized representative.

Dated: _____ _____

JORY DANIELSON, ADMIN SERVICES DIRECTOR
CROW WING COUNTY, MINNESOTA

ELECTION MEMORY DEVICE **CF1 DOOR** SEAL #: _____

ELECTION MEMORY DEVICE **CF2 DOOR** SEAL #: _____

REPORT PRINTER DOOR SEAL #: _____

PRECINCT WITNESS: _____

****

ELECTION DAY VERIFICATION

We verify the seals noted above are the seal numbers that are on the ICE tabulator at the start of election day.

_____ _____

Election Judge Election Judge

*This original document will be in the “Red Book.” Carbon copy in #1 transfer case.

BOARD OF COUNTY COMMISSIONERS
Crow Wing County, Minnesota

DATE: 4/28/2026 Resolution:
OFFERED BY COMMISSIONERS: and
AYES: NAYS:

CROW WING COUNTY ELECTIONS CHAIN OF CUSTODY PLAN 2026

WHEREAS, Minnesota counties are required to create and submit an Elections Chain of Custody Plan annually to the Minnesota Secretary of State Office under Minnesota Statute 204B.182, and

WHEREAS, Crow Wing County has developed an Elections Chain of Custody Plan for 2026, and

WHEREAS, The Crow Wing County Board of Commissioners approve and authorize the Crow Wing County Administrative Services Director to submit said plan to the Secretary of State before June 1, 2026.

NOW, THEREFORE, BE IT RESOLVED that the Crow Wing County Board of Commissioners approve the Crow Wing County Elections Plan 2026 and authorize the Crow Wing County Administrative Services Director to submit said plan to the Secretary of State Office before June 1, 2026.

STATE OF MINNESOTA)
COUNTY OF CROW WING) *ss*

I, Deborah A. Erickson, County Administrator, Crow Wing County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Crow Wing County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on < >, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this <X day of X, 20XX>.

_____

DEBORAH A. ERICKSON
COUNTY ADMINISTRATOR

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Finance	Jory Danielson
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: 2026 Amended and Reviewed Policies

PREVIOUS ACTION:
Fund Balance Policy reviewed on December 12, 2023.

COMMENTS:

The Government Finance Officers Association recommends the implementation of formalized policies as a best practice of both public and private organizations and other agencies such as Standard and Poor and the Office of the State Auditor recognize the value of County Board approved policies. In response to these recommendations, the Administrative Services Finance Division has adopted County-wide financial policies to guide and adhere to best practices while also aligning with the County goals and objectives.

Policy revisions are attached for the County Board's consideration and proposed changes are noted in colored font and as strikethroughs for the following policies.

1. Fund Balance Policy

RECOMMENDED BOARD ACTION:
Approve the policy revisions as recommended by the Administrative Services Finance Division and the Budget Committee.

Approximate length of presentation:

FUND BALANCE POLICY

CROW WING COUNTY

BRAINERD, MINNESOTA

Adopted by County Board
July 9, 2013
Amended April 28~~November 26~~, 2026~~19~~
~~Reviewed December 12, 2023~~

Our Vision: Being Minnesota's favorite place.
Our Mission: Serve well. Deliver value. Drive results.
Our Values: Be responsible. Treat people right. Build a better future.

FUND BALANCE AND RESERVES POLICY

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I. FUND BALANCE POLICY STATEMENT OF PURPOSE

The purpose of this policy is to provide the basis for a stable financial environment for the County's operations that allows the County to provide quality services to its residents in a fiscally responsible manner designed to keep services and taxes as consistent as possible over time. This policy is meant to serve as the framework upon which consistent operations may be built and sustained.

II. SCOPE

This Fund Balance Policy applies to all governmental-type funds of the County, except where noted otherwise.

III. FUNDING FLOW ASSUMPTION

The County considers restricted fund balance to be spent before unrestricted fund balance when an expenditure is incurred for purposes for which both restricted and unrestricted (Committed, Assigned, Unassigned) amounts are available. Similarly, within unrestricted fund balance, the Committed, Assigned, and Unassigned amounts will be spent in that order when expenditures are incurred for a purpose for which amounts in any of those unrestricted fund balance classifications could be used.

IV. RESERVE TARGET LEVELS

The Office of the State Auditor of Minnesota recommends local governments that rely significantly on property taxes maintain an unrestricted fund balance of approximately 35-50% of fund operating revenues or no less than five months of operating expenditures in their general fund and special revenue funds.

A. GENERAL FUND

At the end of each fiscal year, the County will maintain an Unassigned portion of fund balance in a range equal to 35-50% of the General Fund budgeted ~~operating~~ expenditures for the next year. In addition to working capital needs this accommodates emergency contingency concerns. This reserve will mitigate risks from unpredictable revenue shortages and uncontrollable costs.

B. SPECIAL REVENUE FUNDS

1. COMMUNITY SERVICES ~~SPECIAL REVENUE~~ FUND

At the end of each fiscal year, the ~~County's~~ Community Services Fund will maintain an Una~~A~~ssigned portion of fund balance for working capital in a range equal to 20-30% of the subsequent year's budgeted expenditures.

2. DITCH FUND

At the end of each fiscal year, the Ditch Fund will maintain an Una~~A~~ssigned ~~P~~portion of fund balance for working capital in a range equal to 35-50% of the subsequent year's budgeted expenditures.

~~2.~~3. HIGHWAY ~~SPECIAL REVENUE~~ FUND

At the end of each fiscal year, the Highway Fund (which consists of Administration, Maintenance, Construction, and Fleet Divisions) will maintain an Una~~A~~ssigned portion of fund balance for working capital in a range equal to 10~~2~~-20% of the subsequent year's budgeted expenditures.~~, excluding local option sales tax; however, the minimum fund balance shall not be below two million dollars.~~

At the end of each fiscal year, the Highway Fund (which consists of the Local Option Sales Tax Division) ~~Local options sales tax~~ will also maintain an Unassigned portion of ~~the same~~ fund balance for working capital in a range equal to 10-20% of the subsequent year's budgeted expenditures.

4. SOLID WASTE (NON-LANDFILL) FUND

At the end of each fiscal year, the Solid Waste (Non-Landfill) Fund will maintain an Una~~A~~ssigned portion of fund balance for working capital of at least $3~~2.95~~ million required to cover costs of immediate closure and post closure care of cells and to cover the subsequent year's budgeted expenses.

5. UNORGANIZED TOWNSHIPS FUND

At the end of each fiscal year, the Unorganized Townships Fund will maintain an Una~~A~~ssigned portion of fund balance for working capital in a range equal to 35-50% of the subsequent year's budgeted expenditures.

C. CAPITAL PROJECTS FUND

At the end of each fiscal year, the Capital Projects Fund will maintain an Una~~A~~ssigned portion of fund balance of at least 50% of the subsequent year's budgeted expenditures~~$2.2 million.~~ This will allow the County to have funds immediately available for capital improvements in the event County Program Aid is suddenly reduced or eliminated.

D. LANDFILL ENTERPRISE FUND

At the end of each fiscal year, the Landfill Fund will maintain an Una~~A~~ssigned portion of fund balance for working capital in the range of $9~~.265~~ million to $16~~.265~~ million required to cover costs of immediate closure and post closure care of cells and to cover ~~6~~six months of the subsequent year's budgeted expenses. Over time, the fund balance will continue to grow to cover the costs for ~~the next~~ future cell construction.

In the event that the minimum fund balance levels of the General, Special Revenue, ~~Community Services, Highway, or~~ Capital Projects, or Landfill Enterprise Funds fall above or below the desired range, the Finance Director shall report such amounts to the County Administrator and the County Board as soon as practical after the end of the fiscal year.

V. FUNDING THE TARGET AMOUNT

Funding of reserve targets will generally come from excess revenues over expenditures or one-time revenues.

VI. AUTHORITY OVER RESERVES

Use of reserves for a special circumstance or emergency situation requires approval of the County Board. Use of reserves as part of a budgeted expenditure requires County Board approval as part of the annual budgeting process.

VII. REPLENISHMENT OF RESERVES

Should the actual amount of reserves fall below the targeted range, the County shall create a plan to restore balances to the appropriate levels.

VIII. EXCESS RESERVES

A. GENERAL FUND

Should the actual amount of reserves rise above the targeted range, any excess funds will remain Unassigned pending the County Board's final decision concerning transfer to another fund or additional General Fund Commitments. Excess fund balance dollars shall be used in the following financially prudent ways:

(1) Restore fund balances to minimum approved levels in Special Revenue funds;
(2) Capital and technology improvements in the Capital Projects Fund;
(3) Additional Highway infrastructure projects in the Highway Fund;
(4) Pre-funding or buying down of long-term liabilities;
(5) Debt retirement/refunding;
(6) Cost avoidance projects and productivity enhancement projects (one-time projects);
(7) Litigation;
(8) Local match for grant involving multiple departments;
(9) Other one-time or short-term purposes deemed to be fiscally prudent for the County.

B. SPECIAL REVENUE FUNDS

1. COMMUNITY SERVICES, DITCH, AND UNORGANIZED TERRITORY ~~SPECIAL REVENUE~~ FUNDS

~~Should the actual amount needed for working capital rise above the target range, any excess will automatically be transferred to the General Fund during the year-end close process and classified as Unassigned.~~ Should the actual amount needed for working capital rise above the target range, ~~A~~anyd~~ditionally,~~ transfer in and transfer out corresponding budget adjustments will be made by Financial Services and will be in accordance with Minnesota Statutes. However, T~~t~~he ~~transferred~~ excess funds will remain in the Special Revenue Fund ~~General Fund~~ pending recommendations and final County Board action concerning reallocation and use of the fund balance resources.

2. HIGHWAY ~~SPECIAL REVENUE~~ FUND

Due to the cyclical nature of highway expenditures, working capital ranges may vary year to year. At the end of the fiscal year, the Finance Director and the County Engineer will assess the Highway Fund's fund balance in relation to spending intentions identified in the Highway Improvement~~s~~ Plan (HIP). If necessary, the Finance Director may recommend a transfer to another fund based on this analysis. ~~Such transfers will be approved by the County Administrator.~~

Transfer in and transfer out corresponding budget adjustments will be made by Financial Services and will be in accordance with Minnesota Statutes. However, T~~t~~he transferred funds will remain in the Highway Fund ~~where transferred~~ pending recommendations and final County Board action concerning reallocation and use of the fund balance resources.

3. SOLID WASTE (NON-LANDFILL) FUND

Any transfers in and out will be approved by Land Services staff, submitted to Financial Services for processing, and will be in accordance with Minnesota Statutes.

C. **CAPITAL PROJECTS FUND**
Should the amount of reserves rise above the amount needed for subsequent year projects and ~~Assigned~~ Unassigned fund balance target levels, the County shall advance future projects as identified in the Capital Improvements Plan (CIP), and as authorized by the County Board. Alternatively, the County Board may elect to expend funds under the financially prudent methods identified in VIII.A.

D. LANDFILL ENTERPRISE FUND
Any transfers in and out will be approved by Land Services staff, submitted to Financial Services for processing, and will be in accordance with Minnesota Statutes.

IX. PERIODIC REVIEW OF TARGETS

During the biennial review and renewal of this policy, the Budget Committee, with assistance from Financial Services as necessary, shall evaluate the target reserve levels set forth in this policy. Amendments may be made by approval of the County Board.

X. SPECIFIC FUND BALANCE CLASSIFICATIONS

The County shall report all fund balance classifications in accordance with GASB Statements. In addition, the County will report certain funds as follows:

A. DEBT SERVICE FUND WORKING CAPITAL

At the end of each fiscal year, the portion of Debt Service ~~Fund~~ fund balance that is allocated to pay the next upcoming principal and interest payments will be classified as Restricted, per bond covenants, and the remainder will be reported as Assigned. However, when bonds/notes are fully retired, any remaining fund balance related to the bond issuance will be transferred to the General Fund.

B. CAPITAL PROJECT FUND

At the end of each fiscal year, the County will report Una~~A~~ssigned fund balance in the Capital Projects Fund for future capital projects according to the County's Capital Improvements Plan (CIP).

C. PERMANENT FUND

The Environmental Trust Fund shall report the Environmental Trust Corpus as Nonspendable fund balance pursuant to Minn. Stat. § 373.475. Interest accrued on this amount shall be reported as Restricted for Environmental Uses.

XI. FUND BALANCE POLICY ADOPTION

The County's Fund Balance Policy shall be adopted by resolution of the County Board. The policy shall be reviewed on a biennial basis by the Budget Committee and any modifications made thereto must be approved by the County Board.

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Admin Services	Jory Danielson
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: 2026 New Tobacco License

PREVIOUS ACTION:

COMMENTS:

RECOMMENDED BOARD ACTION:
To approve the new 2026 Tobacco License application of Lakeside Store LLC, Quick Stop, City of Crosby, subject to recommendation by the County Attorney and County Sheriff, subject to any delinquent taxes being paid, and authorize the Administrative Services Director to issue said License.

Approximate length of presentation:

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Admin Services	Jory Danielson
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Exempt Gambling Permit - American Legionville School Safety Patrol Training

PREVIOUS ACTION:

COMMENTS:

RECOMMENDED BOARD ACTION:
To support the Minnesota Lawful Gambling Application for Exempt Permits for the following:

- American Legion Legionville School Safety Patrol Training Center, Inc. to be held on the dates of September 10th - 12th, 2026, at the Legionville School Patrol Camp/Patrol Training Center, Unorganized Territory.
- American Legion Legionville School Safety Patrol Training Center, Inc. to be held on the dates of September 18th - 19th, 2026, at the Legionville School Patrol Camp/Patrol Training Center, Unorganized Territory.

Subject to all State Laws and upon approval of said dates, the applicants submitting a copy of reports required by the State.

Approximate length of presentation:

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Sheriff	Clayton Barg
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Annual Outdoor Warning Siren Maintenance Service - Request for Proposal

PREVIOUS ACTION:
Crow Wing County Emergency Management met with the Committee of the Whole on February 17, 2026, and received approval to engage stakeholders who operate Outdoor Warning Sirens in order to assess their interest in establishing a unified preventative maintenance program.

On March 30, 2026, Crow Wing County Emergency Management convened the Unified Preventative Maintenance Program for Outdoor Warning Sirens working group. The working group included twenty stakeholders representing jurisdictions that currently operate Outdoor Warning Sirens. Stakeholders expressed support for Crow Wing County Emergency Management to develop and release a Request for Proposals (RFP) to identify vendors and determine the cost per siren for annual preventative maintenance.

COMMENTS:

RECOMMENDED BOARD ACTION:
Authorize the Emergency Management Director to solicit proposals for certified Federal Signal service providers to perform annual preventative maintenance on outdoor warning sirens effective July 1, 2026, with proposals to be received by 4 pm on May 15, 2026.

Approximate length of presentation:

Request for Proposal (RFP)
Annual Outdoor Warning Siren Maintenance Service

Introduction
Crow Wing County is seeking proposals from certified Federal Signal service providers to perform annual preventative maintenance on outdoor warning sirens. This program ensures the ongoing reliability, performance, and operational readiness of the siren system through scheduled, comprehensive inspections.

Project Overview
Crow Wing County seeks to attain annual maintenance contract for outdoor emergency warning sirens located throughout the County. All annual maintenance must be completed no later than May 15th of each year to ensure system readiness for the severe weather season. Maintenance activities minimize the risk of equipment failure, identify components requiring repair or replacement, and ensure all sirens meet manufacturer standards. The service provider must employ certified Federal Signal siren technicians and be capable of analyzing and decoding transmissions—both live radio traffic and recorded audio—on the channels used by the Crow Wing County 911 Dispatch Center to activate or cancel siren alerts.

Initial Comprehensive Inspection and Site Inventory (One-Time Requirement)
As part of the initial contract year, the service provider shall complete a full inventory and comprehensive inspection of every siren site, with a detailed written report submitted to Crow Wing County Emergency Management no later than May 15, 2027.

The initial inspection report shall include:

- Make, model, and serial number of each siren head
- Age of the siren (if known or determinable by serial number)
- Inspection of the utility pole for damage or serviceability, including pole height
- Confirmation whether the electronics cabinet and battery box are steel or aluminum
- Identification of whether the cabinet contains an FCM Plus or FCX Communications Board
- Conduct and document firmware update at each tower site (if applicable)
- Documentation of whether the siren has battery backup
- Age of batteries and anticipated replacement date (if applicable)
    - Note: A 5-year rotation is recommended
- Confirmation of whether the cabinet contains a 48-volt single charger
- Confirmation of whether the cabinet has a drip loop installed
    - (Drip loop helps divert water/condensation away from entering the cabinet)
- Reading and documentation of all siren programming at each location
- Make and model of any solar infrastructure present (if applicable)

Scope of Work – Annual Siren Maintenance

The selected service provider shall perform the following tasks for each siren:

- Inspect all electrical and mechanical connections; ensure all fasteners are properly tightened.
- Conduct a visual inspection of the grounding system, utility pole, conduits, connections, and cabinets.
- Inspect rotator motor and siren motor (if equipped).
- Grease and inspect siren head (up to 70 ft head height).
- Realign and reset rotation tensioner (if equipped).
- Check sensor adjustment (if equipped).
- Check rotation current sensor (if equipped).
- Check AC power sensor (if equipped).
- Check intrusion sensor (if equipped).
- Check battery voltage and cold cranking amps (if equipped).
- Check controller auto-reporting (if equipped).
- Check battery charger voltage (if equipped).
- Check transformer/rectifier (if equipped).
- Test manual siren activation (if equipped).

Service Provider Responsibilities

The selected provider will:

- Schedule qualified technicians to conduct all services
- Ensure all inspections meet manufacturer specifications
- Complete all annual maintenance before May 15th each year
- Complete the one-time comprehensive site inventory and report by May 15, 2027
- Identify, document, and communicate any open issues
- Provide an assigned service point of contact
- Deliver all required reports to Crow Wing County Emergency Management

Customer (County) Responsibilities

Crow Wing County Emergency Management will:

- Provide a point of contact authorized to coordinate scheduling and onsite access
- Notify the provider of any special instructions or security requirements for site access

Proposal Requirements

Proposals must include:

- Company background and relevant experience
- Description of the provider's approach to annual and initial inspections
- Technician qualifications and certifications
- Confirmation of the ability to meet the May 15th annual maintenance deadline
- Confirmation of the ability to meet the May 15th 2027 initial report deadline
- Proposed service schedule and availability
- Itemized cost proposal (see Section 8)
- References for similar maintenance contracts

Cost Proposal Requirements
Vendors must include itemized pricing for all required services. Replacement parts or non-routine materials may be listed separately.
Pricing must include annual maintenance cost variations for:

- 1–24 sirens
- 25–44 sirens
- 45 or more sirens

Tiered pricing or volume discounts are acceptable, but pricing must correspond clearly to the above ranges. Crow Wing County stakeholders currently operate 52 sirens with anticipated expansion in the future; however, not all stakeholders may wish to participate.

Term
The term of the agreement will be from July 1, 2026, through June 30, 2028, with the option to renew annually thereafter by mutual written agreement of both parties.

Evaluation Criteria
Proposals will be evaluated based on:

- Relevant experience and technical capability
- Ability to meet required deadlines (May 15 annually, May 15, 2027, initial report)
- Compliance with the scope of work and inventory requirements
- Cost-effectiveness, including quantity-based pricing
- Quality of references

Submission Instructions
Proposals must be received *no later than 4:00pm May 15, 2026*

Crow Wing County Sheriff's Office
Emergency Management Division
301 Laurel St.
Brainerd MN 56401

Or emailed to ***Clayton.Barg@CrowWing.Gov***
Subject: CWC Warning Siren Proposal / (company/business name)

Interpretations
Questions regarding interpretation of the proposal can be emailed to
Clayton.Barg@CrowWing.Gov

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Sheriff	N/A
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: 2026 State of MN Federal Boating Safety Equipment Grant Contract

PREVIOUS ACTION:

COMMENTS:
The total amount of this grant is $74,155. The funding will be used to purchase a new boat.

RECOMMENDED BOARD ACTION:
Authorized entering into a grant contract between Crow Wing County, Crow Wing County Sheriff's Office and the State of Minnesota, acting through its Department of Natural Resources, Enforcement Division for supplementary funding of specific items for recreational boating safety, effective March 3, 2026, through September 1, 2026, and the Chair and County Administrator are authorized to sign said grant contract, subject to review as to form and execution by the County Attorney.

Approximate length of presentation:

DEPARTMENT OF NATURAL RESOURCES

2026 STATE OF MINNESOTA

FEDERAL BOATING SAFETY SUPPLEMENTAL EQUIPMENT

GRANT CONTRACT AGREEMENT

ENCUMBRANCE WORKSHEET

Contract #: 287276 **PO #:** 3000296492

State Accounting Information

Dept. ID	PC Bus. Unit	Fiscal Year	Source Type	Vendor Number
R29	R2901	2026	REIMB	0000197288-001

Total Amount	Project ID	Billing Location	UEI
$74,155.00	R29G70CGBLA25	R297000221	FM9SDDFC6KP6

Accounting Distribution

Fund	Fin. Dept. ID	Approp. ID	Category	Account	Amount	Activity
3000	R2937715	R297227	84101501	441302	$74,155.00	A7CG002
3000	R2937715	R297227	84101501	441302	$0.00	A7CG004

Grant Begin Date	Grant End Date
March 3, 2026	September 1, 2026

Grantee Name and Address:

Crow Wing County Sheriff's Office
304 Laurel Street
Brainerd, MN 56401

Payment Address:
(where DNR sends the check)

Crow Wing Co.
326 Laurel St. #22
Brainerd, MN 56401-3591

STATE OF MINNESOTA

GRANT CONTRACT AGREEMENT
FEDERAL SUB-AWARD AGREEMENT
Swift Contract Number: 287276

This Grant Contract Agreement is between the State of Minnesota, acting through its Department of Natural Resources, Enforcement Division ("State") and Crow Wing County Sheriff's Office, 304 Laurel Street, Brainerd, MN 56401(FM9SDDFC6KP6) ("Grantee"). The payment address for this grant agreement is Crow Wing Co.326 Laurel St. #22, Brainerd, MN 56401-3591.

Recitals

1. Under Department of Homeland Security – through the Recreational Boating Safety Financial Assistance program to states, commonwealth and territories (FAIN 70Z02326MO0006968), (CFDA number 97.012) in U.S.C. 13101-13110 the State received a federal award of $74,155.00 on March 3, 2026 for the Federal Boating Safety Supplemental Equipment Grant. This project is not a research and development award.
2. Under Federal Boating Safety Supplemental Equipment Grant and Minnesota Statute § 84.026 the State subawards $74,155.00to the Grantee UEI for the purpose of conducting the program entitled Federal Equipment Grant (“Project”) for the purpose of Boat and Water Safety.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this Grant Contract Agreement to the satisfaction of the State.

Grant Contract Agreement

1 Term of Grant Contract Agreement

1.1 Effective Date. March 3, 2026, or the date the State obtains all required signatures, whichever is later. This is the Performance and Budget Period start date.

Per Minnesota Statutes § 16B.98, Subd. 5, the Grantee must not begin work until this Grant Contract Agreement is fully executed and the State's Authorized Representative has notified the Grantee that work may commence.

Per Minnesota Statutes § 16B.98 Subd. 7, no payments will be made to the Grantee until this Grant Contract Agreement is fully executed.

1.2 Expiration Date.

1.3 September 1, 2026, or, in the event this Grant Contract Agreement is continued by way of amendment or new agreement, the date the amendment or new agreement is fully executed, whichever is later. In the event an amendment or new agreement is not fully executed within 60 calendar days of the stated

expiration date, this grant agreement will expire on September 1, 2026.

1.1 Survival of Terms. The following clauses survive the expiration or cancellation of this Grant Contract Agreement: Liability; State Audits; Government Data Practices and Intellectual Property; Publicity and Endorsement; Governing Law, Jurisdiction, and Venue; Data Disclosure; and Monitoring.

2 Specifications, Duties, and Scope of Work

2.1 The Grantee shall be responsible for the administration, supervision, management, record keeping, and program oversight required for the work performed under this agreement.
2.2 The Grantee will comply with the required grants management policies and procedures set forth through Minn. Stat. §16B.97, subd 4 (a)(1).
2.3 The Grantee agrees to complete the program in accordance with the approved budget to the extent practicable and within the program period specified in the grant contract agreement. Any material change in the grant contract agreement shall require an amendment by the State (see Section 9.2).
2.4 The Grantee agrees to meet all grant program requirements, as described in the Exhibit A, Specifications, Duties, and Scope of Work.
2.5 The Grantee is responsible for maintaining an adequate conflict of interest policy throughout the term of this agreement. The Grantee shall monitor and report any actual, potential or perceived conflicts of interest to the State's Authorized Representative. The Grantee must sign and return Exhibit C, Conflict of Interest Disclosure, when countersigning this Agreement.
2.6 The Grantee will comply with Exhibit D, Requirements for DNR Grantees.
2.7 The Grantee will comply with 2 CFR Part 200 Uniform Administrative Requirements, as applicable.

3 Time

The Grantee must comply with all the time requirements described in this Grant Contract Agreement. In the performance of this Grant Contract Agreement, time is of the essence and failure to meet a deadline date may be a basis for a determination by the State's Authorized Representative that the Grantee has not complied with the terms of the Grant Contract Agreement. The Grantee is required to perform all the duties cited within clause two "Specifications, Duties, and Scope of Work" within the grant period. The State is not obligated to extend the grant period.

4 Consideration and Terms of Payment

The consideration for all services performed by the Grantee pursuant to this Grant Contract Agreement shall be paid by the State as follows:

4.1 Compensation. The total obligation of the State under this Grant Contract Agreement, including all compensation and reimbursements, is not to exceed Seventy four thousand one hundred fifty five, which shall be paid in accordance with the terms outlined in Exhibit B: Non- Construction Programs.

4.2 Total Federal Funds. The total amount of federal funds obligated to the Grantee by the State is Seventy four thousand one hundred fifty five including the current financial obligation.

4.1 Matching Requirements. Not applicable.

4.2 Indirect Cost Rate. No subaward indirect costs are part of the budget for this grant.

4.3 Administrative Costs. Not applicable.

4.4 Travel Expenses. Not applicable.

4.5 Invoices. Payments shall be made by the State after the Grantee's presentation of invoices for services satisfactorily performed, and which the Grantee has paid, and the written acceptance of such services by the State's Authorized Representative. Invoices shall be submitted timely, with additional details as requested by the State within the dates previously noted in "Term of Grant Contract Agreement" in this grant contract agreement. Invoice procedures are specified in Exhibit A which is attached and incorporated into this grant contract agreement.

A. In accordance with Minnesota Management and Budget Statewide Operating Policy 0801-01, payment shall be made within 30 days following the State's Authorized Representative approval of an invoice. Payments will not be made if reports or other deliverables are outstanding

4.6 Federal Funds.

A. Payments will be subawarded to the Grantee from US Coast Guard, Department of Homeland Security through the Recreational Boating Safety Financial Assistance, Assistance Listing Number 97.012 and Federal Award Identification Number 70Z02326MO0006968.

B. If applicable, the prime award is attached to this Grant Contract Agreement as Exhibit C: Other Provisions. The Grantee is responsible for its compliance with all applicable federal requirements detailed within Exhibit C: Other Provisions. The Grantee accepts full financial responsibility for any reimbursement imposed by the Grantee's noncompliance.

4.7 Unexpended Funds. The Grantee must promptly return to the State any unexpended funds that have not been accounted for in a financial report to the State.

5 Conditions of Payment

All services provided by the Grantee under this Grant Contract Agreement must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

5.1 The Grantee and any subrecipients must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government: Suspended and Debarred Vendors, Minnesota Office of State Procurement.

1 Authorized Representatives

1.1 The State's Authorized Representative is Adam Block, Boating Law Administrator, Enforcement Division, Minnesota Department of Natural Resources (DNR), 500 Lafayette Road, St. Paul, MN 55155-4047, adam.block@state.mn.us, or their successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this Grant Contract Agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

1.2 The Grantee's Authorized Representative isSheriff Erik Klang, Crow Wing County Sheriff's Office, 304 Laurel Street, Brainerd, MN 56401, or their successor. If the Grantee's Authorized Representative changes at any time during this Grant Contract Agreement, the Grantee must immediately notify the state.

1.3 The Grantee must clearly post on the Grantee's website the names of, and contact information for, the Grantee's leadership and the employee or other person who directly manages and oversees this Grant Contract Agreement on behalf of the Grantee.

2 Contracting and Bidding Requirements

2.1 The Grantee is required to comply with Minnesota Statutes § 471.345, Uniform Municipal Contracting Law.
2.2 The Grantee and any subrecipients must comply with prevailing wage rules per Minnesota Statutes §§ 177.41 through 177.50, as applicable.
2.3 The Grantee and any subrecipients must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government: Suspended and Debarred Vendors, Minnesota Office of State Procurement.
2.4 The Grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.

3 Assignment, Amendments, Waiver, and Contract Complete

3.1 Assignment. The Grantee may neither assign nor transfer any rights or obligations under this Grant Contract Agreement without the prior consent of the State and a fully executed agreement, executed and approved by the authorized parties or their successors.

3.2 Amendments. Any amendment to this Grant Contract Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Grant Contract Agreement or their successors.

3.3 Waiver. If the State fails to enforce any provision of this Grant Contract Agreement, that failure does not waive the provision or its right to enforce it.

3.4 Contract Complete. This Grant Contract Agreement contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this Grant Contract Agreement, whether written or oral, may be used to bind either party.

1 Subcontracting and Subcontract Payment

1.1 A subrecipient is a person or entity that has been awarded a portion of the work authorized by this Grant Contract Agreement by Grantee. The Grantee must document any subaward through a formal legal agreement. The Grantee must provide timely notice to the State of any subrecipient(s) prior to the subrecipient(s) performing work under this Grant Contract Agreement.

1.2 The Grantee must monitor the activities of the subrecipient(s) to ensure the subaward is used for authorized purposes; is in compliance with the terms and conditions of the subaward, Minnesota Statutes § 16B.97, Subd.4 (a) (1) and other relevant statutes and regulations; and that subaward performance goals are achieved.

1.3 During this Grant Contract Agreement, if a subrecipient is determined to be performing unsatisfactorily by the State's Authorized Representative, the Grantee will receive written notification that the subrecipient can no longer be used for this Grant Contract Agreement.

1.4 No subagreement shall serve to terminate or in any way affect the primary legal responsibility of the Grantee for timely and satisfactory performances of the obligations contemplated by the Grant Contract Agreement.

1.5 The Grantee must pay any subrecipient in accordance with Minnesota Statutes § 16A.1245.

1.6 The Grantee and any subrecipients must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government.

2 Liability

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from performance of this Grant Contract Agreement by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this Grant Contract Agreement.

3 State Audits and Single Audits

3.1 Under Minnesota Statutes § 16B.98, Subd. 8, the Grantee's books, records, documents, and accounting procedures and practices relevant to this Grant Contract Agreement are subject to examination by the Commissioner of Administration, the State granting agency, the State Auditor, the Attorney General, and the Legislative Auditor, as appropriate, for a minimum of six years from the expiration or termination of this Grant Contract Agreement, receipt and approval of all final reports, or the required period of time to satisfy all State and program retention requirements, whichever is later.

3.2 All state and local governments, colleges and universities, and non-profit organizations that expend $1,000,000 or more of federal awards in a fiscal year must have a single audit according to the OMB Uniform Guidance: Cost Principles, Audit, and Administrative Awards Requirements for Federal Awards. This is $1,000,000 total federal awards received from all sources. If an audit is completed, forward a copy of the report to both the State's Authorized Representative and the State Auditor.

1 Government Data Practices and Intellectual Property Rights

1.1 Government Data Practices. The Grantee and State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by the State under this grant contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant contract. The civil remedies of Minnesota Statutes § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

1.2 Intellectual Property Rights. No intellectual property will be created under this grant award. If the Grantee or the State determines the services the Grantee is performing under the grant award have intellectual property implications, the parties will amend this section.

2 Workers Compensation

The Grantee certifies that it is in compliance with Minnesota Statutes § 176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

3 Governing Law, Jurisdiction, Venue

Venue for all legal proceedings out of this Grant Contract Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

4 Termination

4.1 Termination by the State.

A. Without Cause.
The State may terminate this Grant Contract Agreement without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

B. With Cause.
The State may immediately terminate this Grant Contract Agreement if the State finds that there has been a failure to comply with the provisions of this grant contract, that reasonable progress has not been made, or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

4.1 Termination by the Commissioner of Administration.
The Commissioner of Administration may immediately and unilaterally terminate this Grant Contract Agreement if further performance under the agreement would not serve agency purposes or performance under the Grant Contract Agreement is not in the best interest of the State.

4.2 Termination for Insufficient Funding. The State may immediately terminate this Grant Contract Agreement if it does not obtain funding from the Minnesota Legislature, U.S. Coast Guard, Department of Homeland Security – through the Recreational Boating Safety Financial Assistance program to states, commonwealth and territories (FAIN 3319FAS190127), (CFDA number 97.012) in U.S.C. 13101-13110; or if funding cannot be continued at a level sufficient to allow for the payment of the services addressed within this Grant Contract Agreement. Termination must be by written notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that dedicated funds are available.

In the event of temporary lack of funding or appropriation, the State may pause its obligations under this Grant Contract Agreement without terminating it. This pause will be for the duration of the lack of funding or appropriation and shall not be considered a termination of the Grant Contract Agreement. The Grantee will be notified in writing of the temporary pause, and the Grantee's ability to provide services may be temporarily suspended during this period. The State will provide reasonable notice to the Grantee of the lack of funding or appropriation and shall notify the Grantee once funding is restored or appropriated, at which point the provision of services under the Grant Contract Agreement may resume.

The State will not be assessed any penalty if the Grant Contract Agreement is terminated due to insufficient funding. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving notice.

5 Publicity and Endorsement

5.1 Publicity. Any publicity pertaining to the services resulting from this Grant Contract Agreement shall identify the State as the sponsoring agency. Publicity includes, but is not limited to: websites, social media platforms, notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee or its employees individually or jointly with others or any subcontractors. All projects primarily funded by state grant appropriations must publicly credit the State, including on the grantee's website, when practicable.

5.2 Endorsement. The Grantee must not claim that the State endorses its products or services.

6 Data Disclosure

Under Minnesota Statutes § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

1 American With Disabilities Act

Grantee must comply with the 2010 American Disabilities Act Standards for Accessible Design, or any updated version of these requirements in effect at the time of this grant, and all applicable regulations and guidelines.

2 Non-Discrimination Requirements

2.1 No person in the United States must, on the ground of race, color, national origin, handicap, age, religion, or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity receiving Federal financial assistance. Including but not limited to:

2.2 Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) and DOC implementing regulations published at 15 C.F.R. Part 8 prohibiting discrimination on the grounds of race, color, or national origin under programs or activities receiving Federal financial assistance; Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.) prohibiting discrimination on the basis of sex under Federally assisted education programs or activities;

2.3 Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and DOC implementing regulations published at 15 C.F.R. Part 8b prohibiting discrimination on the basis of handicap under any program or activity receiving or benefiting from Federal assistance.

2.4 The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.), and DOC implementing regulations published at 15 C.F.R. Part 20 prohibiting discrimination on the basis of age in programs or activities receiving Federal financial assistance;

2.5 Title II of the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination against qualified individuals with disabilities in services, programs, and activities of public entities.

2.6 Any other applicable non-discrimination law(s).

3 Reporting requirements

The Grantee must submit a progress report to the State's Authorized Representative in a form and manner prescribed by the State. For this grant, the invoice and required documentation will serve as the progress report to document the purchase of the equipment described in Exhibit A.

4 Monitoring

4.1 The State shall be allowed at any time to conduct periodic site visits and inspections to ensure work progress in accordance with this grant agreement, including a final inspection upon program completion. At least one monitoring visit per grant period on all state grants of over $50,000 will be conducted and at least annual monitoring visits on grants of over $250,000.

4.1 Following closure of the program, the State's authorized representatives shall be allowed to conduct post-completion inspections of the site to ensure that the site is being properly operated and maintained and that no conversion of use has occurred. Equipment with a value of $5,000 or more at time of purchase requires site monitoring every other year for the life of the equipment. State approval is needed prior to selling or removing this equipment from service.

5 Invasive Species Prevention

5.1 The DNR requires active steps to prevent or limit the introduction, establishment, and spread of invasive species during contracted work. The contractor shall prevent invasive species from entering into or spreading within a project site by cleaning equipment prior to arriving at the project site.

5.2 If the equipment, vehicles, gear, or clothing arrives at the project site with soil, aggregate material, mulch, vegetation (including seeds) or animals, it shall be cleaned by contractor furnished tool or equipment (brush/broom, compressed air or pressure washer) at the staging area. The contractor shall dispose of material cleaned from equipment and clothing at a location determined by the DNR Contract Administrator. If the material cannot be disposed of onsite, secure material prior to transport (sealed container, covered truck, or wrap with tarp) and legally dispose of offsite.

5.3 The contractor shall ensure that all equipment and clothing used for work in infested waters has been adequately decontaminated for invasive species (ex. zebra mussels) prior to being used in non-infested waters. All equipment and clothing including but not limited to waders, tracked vehicles, barges, boats, turbidity curtain, sheet pile, and pumps that comes in contact with any infested waters must be thoroughly decontaminated.

6 Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions

6.1 The prospective lower tier participant certifies, by submission of this agreement, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency

6.2 Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this agreement.

7 Use of Funds as Match to Other Grants or Programs

7.1 State funds cannot be used by the Grantee as match or for reimbursement for any other grant or program without prior written authorization from the State's Authorized Representative.

7.2 **Written request**. The Grantee must submit a written request for authorization no less than 10 business days prior to applying for the new funds or program to the State's Authorized Representative. This request must include the following information: this project name, this contract number, the amount of these funds to be used, location where these funds were or will be used, activity funded, and current landowner (if applicable).

The project name, location where the new funds will be used, activity to be funded, funding source of the new grant or program, and a brief description of the grant or program being applied for must also be included.

7.1 Land Encumbrances. If the new grant or program will add any encumbrances to the land where these funds were or will be spent, these encumbrances must be approved in writing by the State's Authorized Representative and the current landowner.

8 Debarment and Suspension

Under Executive Orders 12549 and 12689, a contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

9 Procurement of Recovered Materials

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. [78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014].

10 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

10.1 Under 2 CFR 200.216: Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

A. Procure or obtain covered telecommunications equipment or services;

B. Extend or renew a contract to procure or obtain covered telecommunications equipment or services; or

C. Enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services.

D. As described in section 889 of Public Law 115-232, "covered telecommunications equipment or services" means any of the following:

10.2 Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

A. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

B. Telecommunications or video surveillance services provided by such entities or using such equipment;

C. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country;

10.1 For the purposes of this section, "covered telecommunications equipment or services" also include systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

10.2 In implementing the prohibition under section 889 of Public Law 115-232, heads of executive agencies administering loan, grant, or subsidy programs must prioritize available funding and technical support to assist affected businesses, institutions, and organizations as is reasonably necessary for those affected entities to transition from covered telecommunications equipment or services, to procure replacement equipment or services, and to ensure that communications service to users and customers is sustained.

10.3 When the recipient or subrecipient accepts a loan or grant, it is certifying that it will comply with the prohibition on covered telecommunications equipment and services in this section. The recipient or subrecipient is not required to certify that funds will not be expended on covered telecommunications equipment or services beyond the certification provided upon accepting the loan or grant and those provided upon submitting payment requests and financial reports.

10.4 For additional information, see section 889 of Public Law 115-232 and § 200.471.

11 Domestic Preference for Procurements

As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

12 Reporting Subawards and Executive Compensation

12.1 As required under Title 2 of the Code of Federal Regulations, Subtitle A, Chapter 1, Part 170, the State must report on each subaward that is $30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) at https://sam.gov/fsrs.

12.1 In order for the State to fulfill this requirement, the Grantee shall provide the following data to the State for themselves within 21 dates of the execution of this agreement, and for any subcontractors within 21 days of execution of a subcontract:

A. UEI Number;

B. Relevant executive compensation data if applicable under Title 2 of the Code of Federal Regulations, Subtitle A, Chapter 1, Part 170, Appendix A.

i. The Grantee and contractor in the preceding fiscal year received 80 percent of more of its annual gross revenue in: Federal awards, $25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.

ii. The public does not have access to information about the compensation of senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.

13 Whistleblower Protections

This award is subject is to whistleblower protections, including the protections established at 41 U.S.C. 4712 providing that an employee of the recipient or a subrecipient may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a covered person or body information that the employee reasonably believes is evidence of gross mismanagement of a Federal grant or subaward, a gross waste of Federal funds, an abuse of authority relating to a Federal grant or subaward, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal grant or subaward. These covered persons or bodies include:

A. A member of Congress or representative of a committee of Congress.
B. An Inspector General.
C. The Government Accountability Office.
D. A Federal employee responsible for contract or grant oversight or management at the relevant agency.
E. An authorized official of the Department of Justice or other law enforcement agency.
F. A court of grand jury.
G. A management official or other employee of the contractor, subcontractor, or grantee who has the responsibility to investigate, discover, or address misconduct.

Consistent with 41 U.S.C. 4712(d), the recipient and subrecipients shall inform their employees in writing, in the predominant language of the workforce or organization, of employee whistleblower rights and protections under 41 U.S.C. 4712.

Exhibits

The following Exhibits are attached and incorporated into this Grant Contract Agreement.

Exhibit A: Specifications, Duties, and Scope of Work

Exhibit B: Federal Assurances: Non-Construction programs

Exhibit C: Conflict of Interest Disclosure

Exhibit D: Requirements for DNR Grantees

Grant Contract Agreement Signature Page

State Encumbrance Verification

Individual certifies that funds have been encumbered as required by Minnesota Statutes §§ 16A.15

Print Name: SUSAN J LARSON

Signature: Susan J. Larson Digitally signed by Susan J. Larson Date: 2026.04.07 08:33:15 -05'00'

Title: ACCT TECH Date: 4/07/2026

SWIFT Contract No. 287276 PO 3-296492

State Agency

With delegated authority

Print Name: _____

Signature: _____

Title: _____ Date: _____

Grantee

With delegated authority

Print Name: _____

Signature: _____

Title: _____

2026 STATE OF MINNESOTA FEDERAL BOATING SAFETY SUPPLEMENTAL EQUIPMENT GRANT CONTRACT AGREEMENT (CFDA #97.012)

1. The purpose of this grant is to provide supplementary funding to the Grantee, not exceeding the amount specified in Clause 4 of the grant contract agreement, to purchase the following specific equipment or other items that will be used for recreational boating safety activities:

   \+ 18'-20' Fiberglass boat, 150-200HP motor, trailer *

   ** means trade-in or cost share by county*
   *** means 25% county dive equipment cost share requirement*

2. The program shall begin on March 3, 2026 or date grant contract agreement is fully executed and the State's Authorized Representative has notified the Grantee that work may commence. The purchase, delivery and payment of approved items must be completed by September 1, 2026. An extension beyond that date for purchase, delivery and payment may be granted, if requested by the Grantee in writing to the State's representative. If approved by the State's representative, an amendment form is created which requires signatures by Grantee and State's representative. Requests submitted after September 1, 2026, that have not been granted an extension from the State, are not eligible for reimbursement and will become the Grantee's sole responsibility. The Grantee shall submit a final billing invoice within 30 days of the expiration of the grant.

3. The Grantee must first purchase the item as specified in this grant, follow any specific county purchasing procedures and pay for it from the Grantee's funds. The Grantee must then submit the following for reimbursement by the deadline noted in #2 above:

   a. An invoice from the Grantee, dated no earlier than March 3, 2026 or date grant is fully executed and not later than September 1, 2026, with a description of all the item(s) being requested for reimbursement. The purchase/invoice deadline may be modified if an extension, as noted in clause #2 above, is granted and approved by the State's representative.
   b. A copy of the invoice(s) from the vendor(s) showing the amount the Grantee actually paid, including shipping, sales tax and any setup costs.
   c. If the item is valued over $5,000, the Grantee's asset number(s) & equipment serial number(s) must also be included on the invoice.
   d. All reimbursement requests must be sent to: adam.block@state.mn.us

4. County life jacket wear policy required for personnel working in boat and water. Policy must be submitted to State before DNR grant contract agreement approval.

5. Aids to navigation purchased through this grant must comply with the requirements in Minnesota Rule 6110.1500. Watercraft purchased through this grant must be registered with the State and display registration numbers and validation decals as noted in Minnesota Rule 6110.0100 - .0900.

6. The Grantee agrees that, when requested by the State, they will promptly complete an inventory on items purchased at a cost of more than $5,000 and forward it to the State's representative.

7. The State will supply a special label that will need to be applied to each item of equipment that exceeds $5,000. This label indicates that federal boating safety funds were used for all or a portion of the purchase.

8. Items purchased under this grant may not be sold, traded or disposed of without prior written permission and instructions from the State as to the disposition of the item(s), and any funds derived from their sale or

trade. The Grantee must promptly notify the State's representative if any item over $5,000 purchased through this grant is lost or stolen.

9. By accepting this grant, the Grantee agrees, when requested, to accurately & promptly complete and return to the state any reports required by the State or the cognizant federal agency regarding activities, expenditures or accomplishments for the recreational boating safety program.

10. In any reference to this grant, it should be referred to as: "A federal boating safety sub grant through the Minnesota Department of Natural Resources."

2026 FEDERAL ASSURANCES
NON-CONSTRUCTION PROGRAMS

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et sq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation purchases.

8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction sub-agreements.

10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et. seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§ 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1et seq.).

14. Will comply with P.L. 93-248 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments and Non-Profit Organizations." *(see below).

18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

**If the COUNTY (as defined on page 1 of this grant) expends more than $500,000 in federal assistance per year, it agrees to have a program-specific or single audit made in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133 – "Audits of States, Local Governments and Non-Profit Organizations." Copies of the audit report are required to be sent to the following: 1) Office of the State Auditor – Single Audit Division, Suite 500, 525 Park Street, St. Paul, MN 55103, 2) Minnesota Department of Natural Resources, Internal Audit Section – Office of Management & Budget Services 500 Lafayette Road, St. Paul, MN 55155 and 3) The Federal Single Audit Clearinghouse located at: Bureau of the Census, Data Preparation Division, 1201 East 10th Street, Jeffersonville, IN 47132.*

DEPARTMENT OF NATURAL RESOURCES

Conflict of Interest Disclosure Form for Grantees

Conflict of Interest

A conflict of interest occurs when a person has actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A conflict of interest exists even if no unethical, improper or illegal act results from it. There are several types of conflicts of interest.

Actual Conflict of Interest

An actual conflict of interest occurs when a person's decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict.

Potential Conflict of Interest

A potential conflict of interest may exist if a person has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests.

Individual Conflict of Interest

A conflict of interest that may benefit an individual employee *or a* grant reviewer is any situation in which *their* judgment, actions or non-action could be interpreted to be influenced by something that would benefit them directly or through indirect gain to *an immediate family member,* business, or organization with which they are involved.

Organizational Conflict of Interest

A conflict of interest can also occur with an organization that is a grant applicant in a competitive grant process or grantee of a state agency.

Organizational conflicts of interest occur when:

- A grantee's objectivity in carrying out the grant is impaired or compromised due to competing duties or loyalties
- A grantee, potential grantee or grant applicant has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

This section to be completed by Grantee's Authorized Representative

I certify that we will maintain an adequate Conflict of Interest Policy, and throughout the term of our agreement will report any actual or potential conflicts of interests by individual employees or our organization as a whole to the State's Authorized Representative.

Organization Name: Crow Wing County Sheriff's Office

Project Name: 2026 MN DNR FEDERAL BOATING SAFETY SUPPLEMENTAL EQUIPMENT GRANT

Legal Citation: Under Minnesota Statute §84.026, §86B.101 and Department of Homeland Security – through the Recreational Boating Safety Financial Assistance program to states, commonwealth and territories (FAIN 3319FAS190127), (CFDA number 97.012) in U.S.C. 13101-13110 the State is empowered to enter into this grant contract agreement.

Authorized Representative Printed Name: Sheriff Eric Klang

Authorized Representative Signature/Date: 4-23-26

DEPARTMENT OF NATURAL RESOURCES

Requirements for DNR Grantees (RDG)

Effective Date: January 31, 2026.

The following policies apply to all DNR grants, except where specifically noted. These requirements are in addition to requirements in program-specific manuals. In case of any conflicts with an existing grant program manual, the stricter document will control.

Questions about these requirements should be directed to the grant specialist for your grant program. Questions may also be directed to GrantsTeam.DNR@state.mn.us. When sending an email to this address, please include information on your grant funding source, program, and question.

Admin's Office of Grants Management (OGM) Policies

Under Minn. Statutes, section 16b.97 subd. 2, the Minnesota Department of Administration (Admin) is required to create general grants management policies and procedures applicable to all state agencies. Admin's OGM implemented grant policies for the State of Minnesota. Please review OGM grant policies (select the Current Policies tab). Information especially relevant to grantees is summarized below. Unless otherwise noted, these policies do not apply to bonding grants and grants under Minn. Statutes section 16A.86 or section 16A.642.

Grants Conflict of Interest (OGM Policy 08-01)

All grantees must sign a conflict-of-interest disclosure form or certify they will disclose conflicts of interest when signing their grant agreements/GANs. Grantees must also maintain a written standard of conduct covering conflicts of interest and governing the actions of its employees or board members engaged in the selection, award, and administration of contracts. State staff may request this written standard when conducting grant monitoring activities or if otherwise relevant. These requirements apply to all grants, including bonding grants and grants under Minn. Statutes section 16A.86 and section 16A.642.

OGM Policy 08-01 states that a conflict of interest occurs "when a person has actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A conflict of interest exists even if no unethical, improper, or illegal act results from it." Per the OGM policy, there are several types of conflicts of interest:

Actual Conflict of Interest

An actual conflict of interest occurs when a person's decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict.

Potential Conflict of Interest

A potential conflict of interest may exist if a person has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interest.

Individual Conflict of Interest

A conflict of interest that may benefit an individual employee or a grant reviewer is any situation in which their judgement, actions, or non-action could be interpreted to be influenced by something that would benefit them directly or through indirect gain to an immediate family member, business, or organization with which they are involved.

Organizational Conflict of Interest

A conflict of interest can also occur with an organization that is a grant applicant in a competitive grant process or grantee of a state agency. Organizational conflicts of interest occur when:

- A grantee's objectivity in carrying out the grant is impaired or compromised due to competing duties or loyalties
- A grantee, potential grantee, or grant applicant has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

Use of Grant Contract Agreements and Grant Award Notifications (GAN) (OGM Policy 08-04)

All grants need a written grant contract agreement or Grant Award Notification (GAN). State agencies cannot award a grant to a grantee that is on either the suspension or debarment lists for the state of Minnesota or the federal government. If a grantee becomes suspended or debarred, that may be cause for the State to cancel their grant.

Grant agreements/GANs must contain a provision for the grantee to clearly post on the grantee's website the names and contact information for the grantee organization's leadership and the person(s) who directly manages and oversees the grant.

A fully executed copy of the grant agreement or GAN and all relevant records must be kept on file for a minimum of six years from the end date, receipt, and approval of all final reports, OR the period of time required to satisfy all state and program retention requirements, whichever is later.

Grantees must complete work in accordance with the terms and conditions of their grant agreement/GAN. Work not covered under the grant agreement/GAN will not be reimbursed without a prior amendment request.

Public Questions and Comments Concerning Fraud and Waste in State Grants (OGM Policy 08-05)

OGM will serve as the central point of contact for questions and comments about fraud and waste in state grants and about the violation of statewide grants policies. OGM will also respond to other public questions and concerns about state grants.

Grant Payments (OGM Policy 08-08)

State agencies may not issue grant payments until the funds are encumbered, and the grant agreement is fully executed, or the GAN is completed.

Reimbursement is the State's preferred method for making grant payments. DNR grants operate on a reimbursement basis, unless the grant agreement/GAN contains explicit language specifying otherwise.

Grantee reimbursement requests must correspond to the line items in the approved grant budget. Grant managers must review each reimbursement request against the approved grant budget, grant expenditures to date, and the latest grant progress report before approving payment. If grant managers see a discrepancy or have any questions about reimbursement requests and/or related documentation, they will follow up with the grantee.

Any deviation from this policy must be approved by the Agency Wide Grants Manager prior to signing a grant agreement/GAN and must be in accordance with state laws and OGM policies.

Grants in which the payment terms are defined in statute are not covered by this policy.

DNR Reimbursement Procedures

- Grantees must pay for project expenses before seeking reimbursement from the grant and should only request reimbursement for paid expenses. Expenses are reviewed and those deemed eligible are then reimbursed under the terms of the agreement/GAN with the State of Minnesota.
- Grantees are not allowed to request reimbursement for invoices from a vendor that have not yet been paid by the grantee. Please also see the Proof of Payment section below.
- Grantees can expect to be reimbursed within 30 days of the DNR receiving a complete and accurate reimbursement request. If documentation to process the request is missing, or the request has discrepancies or incorrect information, the 30-day clock does not start until all necessary information has been submitted to the DNR and the request has been deemed complete and whole.
- The DNR will pay final reimbursement when the state determines that the grantee has satisfactorily fulfilled all the terms of their grant agreement/GAN, unless a grant term is altered or excluded by the DNR in writing.

Grantees should keep the following documentation on file for monitoring and audit purposes:

- Proof of payment of grant expenses (e.g. copies of cancelled checks, electronic bank statements, etc.)
- Contracting/purchasing bidding documentation
- Organization's conflict of interest policy

- Prevailing wage documentation (if applicable): project assessment form, certified payroll reports, etc.

Grant Progress Reports (OGM Policy 08-09)

Grantees are required to submit written progress reports at least annually until all grant funds have been expended and all the terms in the grant agreement/GAN have been met. Information requested in a grant progress report may include (but is not limited to): goals and objectives, activities, outcomes, challenges, lessons learned, and financial information. State agencies cannot make grant payments on grants with past due progress reports (unless the agency has given the grantee a written extension).

Grant Monitoring (OGM Policy 08-10)

All state grants over $50,000 are required to have at least one monitoring visit before final payment is made. All state grants over $250,000 are required to have annual monitoring visits. In-person visits are preferred where possible, but telephone or virtual visits are also used where reasonable.

The purpose of a monitoring visit is to review and ensure progress towards the grant's goals, address any problems or issues before the end of the grant period, and build a relationship between the agency and grantee.

For state grants over $50,000, state agencies must conduct a financial reconciliation of grantees' expenditures at least once before final payment is made. A financial reconciliation involves reconciling a grantee's request for payment for a given period with supporting documentation (e.g. purchase orders, receipts, payroll records, etc.) for that request.

If previously reimbursed costs are found to be ineligible upon further review during monitoring (or at any other point during the grant period), repayment of those costs or other corrective action may be required.

Proof of Payment

The State requires proof of payment documentation to ensure that funds are being provided on a reimbursement basis. The grantee must maintain proof of payment documentation and make it available when requested by the State. Proof of payment documentation may include:

- A copy of a bank statement with photocopies of cleared checks
- An electronic bank statement
- A copy of cancelled checks or other certified financial records
- Employee original time records and payroll documentation

Cost Share/Required Match

For grants which require cost share or match, the requirements for documenting work completed or expenses incurred as match are the same as for expenses for which grantees are requesting reimbursement. The State may disallow otherwise-eligible costs for reimbursement if the grantee cannot provide proof of the expenses being used as match.

For grants with in-kind match (i.e. non-cash donations of a good or service), grantees should provide documentation similar to a payment request.

If the in-kind match is volunteer time, grantees will need volunteer logs and to show the calculation used to convert volunteer hours to time. If the in-kind match is something other than volunteer time (e.g. use of equipment, or donated materials), grantees must perform due diligence to determine how much the in-kind match would cost. For example, if the in-kind match is a land donation, the documentation should include an appraisal. If the in-kind match is use of equipment, the documentation should demonstrate a realistic cost for the type of equipment and amount of time.

Legislatively Mandated Grants (OGM Policy 08-11)

State agencies must manage legislatively mandated grants with the same level of oversight (including monitoring) applied to other state grants, while respecting and maintaining the legislative intent.

Grantees for legislatively mandated grants must submit a work plan and budget. The grant agreement/GAN must be based on the legislation, the grantee's work plan and budget, and negotiations between the state agency and the grantee.

Grant Amendments (OGM Policy 08-12)

During the grant period, it may be necessary to make changes to the grant contract agreement/GAN. Generally, these modifications could include changes to the grant timeframe, to the scope of work, or to the budget categories.

A formal grant contract amendment is required for any changes. Should a situation arise that requires any changes to the project, it is the grantee's responsibility to communicate immediately with the DNR grants specialist.

The purpose of grant amendments must be similar to the original purpose of the grant and the grantee duties should be within the scope of the original RFP/notice of grant opportunity/application.

If an amendment is allowed, it must be fully executed before additional costs can be incurred.

Contracting and Bidding

Competitive bidding needs to follow a fair and transparent public process.

Grantees must not contract with vendors or subcontractors who are on the suspension or debarment lists for either the State of Minnesota or the federal government.

Grantees must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through the entities below are used when possible:

- Minnesota Department of Administration's Certified Target Group, Economically Disadvantaged, and Veteran-Owned Vendor List

- Metropolitan Council's Targeted Vendor list: Minnesota Unified Certification Program
- Small Business Certification Program through Hennepin County, Ramsey County, and the City of St. Paul: Central Certification Program

Grantees must maintain support documentation of the purchasing and/or bidding process utilized to contract services in their financial records, including support documentation justifying a single/sole source bid, if applicable. Grantees must retain the following documentation in the project file:

- Copies of executed subcontract agreements
- A copy of the RFP/RFQ, all submitted bids, and the bid tabulation (if applicable)
- Written documentation that describes the rationale for selection of each subcontractor
- Documentation of the contract/bid approval, if required by grantee internal controls (such as meeting minutes)

This documentation may be reviewed during monitoring visits or when requested by the state.

Contracting and Bidding for Political Subdivisions of the State

In addition to the general contracting and bidding requirements above, municipalities (defined in Minn. Statutes, chapter 471.345 subd. 1 as a county, town, city, school district, or other municipal corporation or political subdivision of the state authorized by law to enter into contracts) must also follow the Uniform Municipal Contracting Law.

Contracting and Bidding for Non-Governmental Organizations

In addition to the general contracting and bidding requirements at the beginning of this section, non-government organizations must follow the contracting policies/procedures below.

Contracting and Bidding for Tribal Governments

Tribal governments are subject to neither the Uniform Municipal Contracting Law nor the DNR contracting policies/procedures below. Tribal governments are subject to the contracting and bidding procedures of their own governance.

Contracting and Bidding Thresholds and Process

- Services and/or materials that are expected to cost between $10,000 and $24,999 must be competitively awarded, based on a minimum of two verbal quotes or bids or awarded to a targeted vendor.
- Services and/or materials that are expected to cost between $25,000 and $99,999 must be competitively awarded based on a minimum of three verbal quotes or bids.
- Any services or materials that are expected to cost $100,000 or more must undergo a formal notice and bidding process.
- Grantees must use an RFP/Request for Quote (RFQ) process to competitively select professional and technical services.

- The advertisement for bid processes must allow for fair competition among potential qualified bidders.

Prevailing Wage

Prevailing wage (Minn. Statutes, sections 177.41-177.45) is the minimum hourly wage employers must pay certain workers who work on construction and public works projects funded by state dollars. Prevailing wage includes the employer's cost of benefits. Other prevailing wage information can be found at the Minnesota Department of Labor and Industry (DLI). Prevailing wage rules apply to any grant award of $25,000 or more that qualifies as a "project" per the following definition:

> Project: demolition, erection, construction, alteration, improvement, restoration, remodeling, or repairing of a public building, structure, facility, land, or other public work, which includes any work suitable for and intended for use by the public, or for the public benefit, financed in whole or part by state funds. "Project" also includes demolition, erection, construction, alteration, improvement, restoration, remodeling, or repairing of a building, structure, facility, land, or public work when the acquisition of property, predesign, design, or demolition is financed in whole or part by state funds (Minn. Statutes, section 177.42).

If the award is $25,000 or more and contains activities in the work/accomplishment plan that qualify as a "project" per the definition above, prevailing wage rules in Minn. Statutes, sections 177.41-177.44 apply. If you are unsure if a project is subject to prevailing wage, ask the grant specialist for a copy of DLI's Project Assessment Form. Grantees must complete the form and return it to the grant specialist. Once ready, the DNR grant specialist will submit it to DLI and copy the grantee on the e-mail.

When prevailing wage applies, all bid requests and RFPs must state that the project is subject to prevailing wage to ensure that incoming bids have factored prevailing wage rates into their submittal. A prevailing wage form should accompany these bid submittals.

Grantees must retain documentation in the project file either the prevailing wage forms, or a notice from DLI that the project is not subject to prevailing wage.

Fraud Reporting

In addition to OGM policy, various state statutes govern reporting of suspected fraud or misuse of state dollars.

State workers with information indicating that public resources (including public money) may have been used for an unlawful purpose must report that information. Any other person with such information is strongly urged to report that information. The DNR takes a "no wrong door" approach for reporting suspected fraud; essentially, the DNR encourages its workforce to report suspected fraud to any DNR supervisor or member of agency leadership, who will connect the person reporting to the correct contact or procedure, as needed.

All state agencies are required to report suspected fraud cases to the Department of Revenue for tax fraud investigation, in addition to referring all allegations of suspected fraud to the Office of the Legislative Auditor and the Minnesota Bureau of Criminal Apprehension's Financial Crimes and Fraud section

(Mnfraud.bureau@state.mn.us or 651-739-3750). Grantees may report suspected fraud directly to these agencies, as well, or to their DNR grant manager or any DNR employee.

Requirements for Working on State Land

When working on state land, grantees must follow all applicable policies and requirements of that land. Grantees should work with the appropriate management staff for the state land to determine these requirements. Insurance is required to do work on state land, following the requirements of Admin.

Audits

Under Minn. Statutes, chapter 16B.98 subd. 8, the state (the grantmaking agency, state auditor, attorney general, legislative auditor, Admin, etc.) has the right to perform programmatic or financial audits of the grantee. The grantee's books, records, documents, and accounting procedures and practices relevant to the grant are subject to state examination for a minimum of six years from the expiration or termination of the grant agreement/GAN, receipt and approval of all final reports, or the required period of time to satisfy state and program retention requirements, whichever is later. This provision is also included in grant agreements/GANs.

Records Retention

Grantees must maintain a file for each project with all project agreements, correspondence, and the records pertaining to project expenses requested for reimbursement. Project records are required for monitoring/audit purposes and must be readily available for review. As with all provisions of the grant agreement/GAN, if the state finds a failure to comply, the State may take action, including immediate termination of the grant agreement/GAN with cause, refusal to disburse additional funds, and/or requiring the return of all or part of the funds already disbursed.

All records related to the project must be retained for a minimum of six years from the grant agreement/GAN end date, or the receipt and approval of all final reports, whichever is later. Some grant funds require permanent retention of the grant records, and in those cases, that requirement supersedes the six-year standard.

Data Practices

- Grantees must comply with the Minnesota Government Data Practices Act (MGDPA) as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the grantee under their grant agreement/GAN. If a grantee receives a request to release this data, the grantee must immediately notify the State. Following this notification, the State will provide instructions to the grantee concerning the release of data.
- Grantees should instruct and train their staff regarding the governing privacy and data practices provisions; maintaining data in a secure manner; and limiting access to work duties and assignments.

- Grantees must mitigate risks associated with the unauthorized access or data breach and report to the DNR any real or perceived security or privacy incident regarding any private data in accordance with MGDPA.
- Grantees are not permitted to use private data with artificial intelligence (AI) services unless it is approved through the DNR/Minnesota IT (MNIT) vendor security risk and compliance process. AI services are reviewed and verified through a process that includes understanding the AI's training, ownership of data and level of security.

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Highway and Engineering	Timothy Bray
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Sponsor the City of Crosslake for Safe Streets For All (SS4A) funding.

PREVIOUS ACTION:
None

COMMENTS:

The City of Crosslake has applied for and received a state grant to be used as a match to a federal grant that was previously awarded. The federal grant is through the Infrastructure Investment and Jobs Act (IIJA) and intended to fund a safety planning project. The County's role would be assisting the City with minor contract administration and agreeing to be the pass-through fiscal agent for the funds. Entities that are not considered part of the State Aid system (townships and cities with a population less than 5,000) are required to have a County perform these functions to utilize the funds. There are no costs, other than staff time, attributable to the County for this project

RECOMMENDED BOARD ACTION:

Adopt a resolution authorizing the County to act as project sponsor and fiscal agent for the City of Crosslake's (SS4A) grant.

Approximate length of presentation:

BOARD OF COUNTY COMMISSIONERS
Crow Wing County, Minnesota

DATE: **Resolution:**

OFFERED BY COMMISSIONERS: and

AYES: NA YS:

SPONSORSHIP FOR THE CITY OF CROSSLAKE INFRASTRUCTURE INVESTMENT AND JOBS ACT (IIJA) STATE MATCH FUNDING – PROJECT S.A.P. 018-589-002

WHEREAS, the City of Crosslake (City) has applied for and received state funding intended to be used as a match to federal IIJA funding that was previously approved for a Safe Streets For All (SS4A) Planning grant, and

WHEREAS, the amount of the state grant has been approved for up to $50,000, and

WHEREAS, non-state aid agencies are required to have the County act as the project sponsor and administer the funds on their behalf, and

WHEREAS, the City shall be responsible for engaging a consultant, delivering the project, providing close-out documents and providing the necessary data to the County when requesting release of the funds, and

WHEREAS, other than administrative staff time, the County shall have no financial obligations associated with the project and the City understands that they will be responsible for all costs associated with the project that are not covered by the grant.

NOW, THEREFORE, BE IT RESOLVED that the Crow Wing County Board of Commissioners agrees to act as a project sponsor and fiscal agent related to the City's SS4A state grant and authorizes the County Engineer to request and disburse state grant funding for the project.

STATE OF MINNESOTA)
COUNTY OF CROW WING) *ss*

I, Deborah A. Erickson, County Administrator, Crow Wing County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Crow Wing County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on < >, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.
Witness my hand and seal this <X day of X, 20XX>.

_____
DEBORAH A. ERICKSON
COUNTY ADMINISTRATOR

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Community Services	Taylor Lesmeister
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Resolution Declaring a Public Health Nuisance at 10042 Gilbert Trail, Brainerd, MN 56401

PREVIOUS ACTION:

COMMENTS:
We have been coordinating both with the property owner and the tenants on-site that are contributing to the condition of the property.

RECOMMENDED BOARD ACTION:
Approve the use of solid waste funds to remediate the Nuisance condition.

Approximate length of presentation: 3-5 Minutes

BOARD OF COUNTY COMMISSIONERS
Crow Wing County, Minnesota

DATE: **Resolution:**
OFFERED BY COMMISSIONERS: and
AYES: NAYS:

RESOLUTION DECLARING A PUBLIC HEALTH NUISANCE
AT 10042 GILBERT TRAIL, BRAINERD, MN 56401

WHEREAS, Crow Wing County Public Health learned of a potential public health nuisance located at 10042 Gilbert Trail, Brainerd, MN (hereinafter the "Property); and,

WHEREAS, Crow Wing County Public Health viewed the property during multiple site inspections as well as digital images available on GIS mapping for Crow Wing County; and,

WHEREAS, County property records indicate the Property is owned by Leo Hindermann (hereinafter "Property Owner"); and,

WHEREAS, there is an accumulation of residential waste along with soft sided items including but not limited to chairs, blankets, and clothing, and unsecured structures which provides a breeding ground and haven for vermin and other animals, all of which are known to spread diseases that are injurious and a threat to the public health; and,

WHEREAS, the Property Owner was provided a Public Health Nuisance Abatement notice by letter dated April 2nd, 2026, with a deadline of April 10th, 2026; and,

WHEREAS, the Property Owner has failed to remediate the public health concerns; and,

WHEREAS, Crow Wing County Public Health has the responsibility for preventing and controlling the spread of disease throughout the County; and,

WHEREAS, the Property is located within Crow Wing County and is subject to the authority of the Crow Wing County Community Health Board.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The property located at 10042 Gilbert Trail, Brainerd, MN, hereby constitutes a public health nuisance under Minn. Stat. §145A.04, subd. 8.
2. Crow Wing County Public Health shall comply with Minn. Statute and abate the Property at the Property Owner's expense.
3. The total cost for the Abatement shall be charged and assessed against the Property pursuant to the provisions and methods set for in Minn. Stat. §145A.08.

STATE OF MINNESOTA)
COUNTY OF CROW WING) *ss*

I, Deborah A. Erickson, County Administrator, Crow Wing County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Crow Wing County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on < >, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this <X day of X, 20XX>.

_____

DEBORAH A. ERICKSON
COUNTY ADMINISTRATOR

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Community Services	Bethany Imgrund
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Resolution Renewal Request for 13734 County Road 25, Brainerd, MN 56401

PREVIOUS ACTION:
Resolution 2025-12 declaring a public health nuisance at 13734 County Road 25, Brainerd, MN was signed by County Administrator, Deborah A. Erickson on February 25, 2025.

COMMENTS:
The property owner has been actively working with Public Health to resolve the nuisance concerns; however, some concerns remain. Renewal of the resolution will allow the owner to complete the remaining corrective actions and bring the property into compliance.

RECOMMENDED BOARD ACTION:
Approve the renewal of resolution 2025-12; allowing use of solid waste funds to continue remediation of the nuisance conditions.

Approximate length of presentation:




CITY OF PEQUOT LAKES
MISSION
PERRY LAKE
PELICAN
WOLFORD
RABBIT LAKE
CITY OF NISSWA
CITY OF TROMMALD
CITY OF CUYUNA
GENTER
CITY OF CROSBY
LAKE EDWARD
CITY OF IRONTON
CITY OF DEERWOOD
CITY OF RIVERTON
IRONDALE
DEERWOOD
FIRST ASSESSMENT
OAK LAWN
CITY OF BAXTER
NOKAY LAKE
BAY LAKE
CITY OF BRAINERD
CITY OF BAXTER
CITY OF GARRISON
CROW WING
LONG LAKE
MAPLE GROVE
GARRISON
FORT RIPLEY
ST MATHIAS
PLATTE LAKE
ROOSEVELT
DAGGETT BROOK
CITY OF FORT RIPLEY

BOARD OF COUNTY COMMISSIONERS
Crow Wing County, Minnesota

DATE: **Resolution:**
OFFERED BY COMMISSIONERS: and
AYES: NAYS:

Resolution Declaring a Public Health Nuisance at 13734 County Road 25, Brainerd, MN 56401

WHEREAS, Crow Wing County Board of Commissioners declared on February 11, 2025, that the property located at 13734 County Road 25, Brainerd, MN 56401, owned by Kara Pacheco was a Public Health Nuisance based upon evidence provided by Crow Wing County Public Health; and,

WHEREAS, Crow Wing County Public Health has provided dumpsters to the Property Owner on three occasions in 2025 to assist with clean-up of the property which the Property Owner has used for clean-up; and,

WHEREAS, Crow Wing County Public Health worked with the Property Owner throughout 2025 and upon a site visit on April 15, 2026, there continues to be a public health nuisance; and,

WHEREAS, the Property Owner has been unable to remediate all public health concerns in their entirety and persistent public health concerns remain ongoing; and,

WHEREAS, Crow Wing County Public Health has the responsibility for preventing and controlling the spread of disease throughout the County; and,

WHEREAS, the Property Owner agreed during the site visit of April 15, 2026 that a Public Health Nuisance is still present on their property and supports the renewal of the abatement resolution from 2025; and,

WHEREAS, Crow Wing County Public Health requests a renewal of the abatement resolution 2025-12;

WHEREAS, the Property is located within Crow Wing County and is subject to the authority of the Crow Wing County Community Health Board.

NOW, THEREFORE, BE IT RESOLVED that the Crow Wing County Board of Commissioners declares:

1. The property located at 13734 County Road 25, Brainerd, MN, hereby constitutes a public health nuisance under Minn. Stat. §145A.04, subd. 8.
2. Crow Wing County Public Health shall comply with Minn. Statute and abate the Property at the Property Owner's expense.
3. The total cost for the Abatement shall be charged and assessed against the Property pursuant to the provisions and methods set for in Minn. Stat. §145A.08.

STATE OF MINNESOTA)
COUNTY OF CROW WING) *ss*

I, Deborah A. Erickson, County Administrator, Crow Wing County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Crow Wing County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on < >, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this <X day of X, 20XX>.

_____

DEBORAH A. ERICKSON
COUNTY ADMINISTRATOR

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Land Services	Chris Pence
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Cobblecrest Properties LLC – “Clearwater Point Second Addition” Preliminary Plat

PREVIOUS ACTION:
On April 16, 2026, the Planning Commission/Board of Adjustment made a motion to recommend approval of the preliminary plat of “Clearwater Point Second Addition” consisting of 4 lots to the County Board of Commissioners.

Public Hearings:

- 1/15/2026 - Tabled by applicant
- 3/19/2026 - Tabled by Planning Commission/Board of Adjustment
- 4/16/2026 – Variance denied. Recommended approval for Preliminary Plat by the Planning Commission/Board of Adjustment

COMMENTS:

Bay Lake Township: Recommend disapproval on 1/13/2026 and another disapproval on 3/12/2026 and 4/15/2026 for the variance of dirt moving and driveway in a bluff – Variance was denied 4/16/2026.

SWCD: One comment received on 1/14/2026.

13 comments from the public.

Legal Description: Part of Government Lot 1

Section 7, Township 45, Range 28
Bay Lake Township
Parcel number: 50070563

RECOMMENDED BOARD ACTION:

Approve the preliminary plate of 'Clearwater Point Second Addition.

Approximate length of presentation: 5 minutes

Property Owner: Cobblecrest Properties LLC

Authorized Agent: Chad Connor

Parcel Number: 50070563

Physical Address: 23001 Clearwater Point Road, Brainerd, MN 56401

Township: Bay Lake

Legal Description: Part of Government Lot 1
Section 7, Township 45, Range 28

Clearwater Lake – Recreational Development – Lake Setback of 100 feet
Minimum lot size: 40,000 Square feet
Minimum buildable area: 16,000 Square feet
Minimum lot width: 150 feet

Application Submitted:12/10/2025
60 Day Action Deadline: 2/08/2026
60 Day Waiver: 4/05/2026
Applicant Extension: 5/01/2026
Wetland: 09/25/2025
Septic: Compliance inspection: 5/15/2025 Site Suitability: 12/01/2025
County Board: 4/14/2026

Current Land Use: Shoreland

Adjacent Land Use:
North: Shoreland
South: Clearwater Lake
East: Shoreland / Clearwater Lake
West: Shoreland

Request:

1. Variance for:
   - 65 cubic yards of dirt moving within the bluff impact zone where no dirt moving is allowed
   - The placement of a driveway located within a bluff impact zone where the driveway is required to meet the 30 foot bluff setback.

2. Preliminary Plat:
   - “Clearwater Point Second Addition” with 4 total lots.

Potential Conditions:

Variance:

1. An approved Shoreland Alteration permit will be required before dirt moving occurs.
2. Verification from engineer that the driveway was constructed as designed.

Plat:

1. Final plat must be submitted within 12 months of Preliminary Plat approval by the County Board
2. All applicable required improvements (Article 9.8) shall be effectively implemented
3. If this plat proposes to disturb 1 acre or more of soil, a Stormwater Pollution Prevention Plan (SWPPP) must be approved by the MPCA for their records prior to construction, tree clearing, and/or land grading and implemented on-site.
4. Documentation of plat monuments completed within 1 year of recording final plat
5. Title Commitment (Before Final Plat)

2/05/2026 On-Site Comments: Auge, Best, Larson, Maske, Pence, Dunlap, Westhoff

- Notification published in the Brainerd Dispatch on 1/21/2026
- Variance for bluff impact zone is to access the property
- Challenging with bluffs
- Dirt moving is only for a driveway
- No other Variances are needed for the Plat

11/10/2025 Development Review Team Meeting Notes:

- Owned by two brothers
- Subdivide into 4 parcels
    - 2 north- 2 South
- Working on septic site suitablities
- Wetland Delineation is done
- OHW needs to be verified for lots 3 & 4
- Lot 4 needs 66’ easement
- Survey needs topo added for buildable area
- Split to make more conforming
- Per Nikki – Variance is need for the guest dwelling over 700 Sq. Ft.

Permit History:

- 11/05/1974 –Land use permit for 16x18 addition to existing structure
- 5/09/1980 – Land use permit for 30x40 two story dwelling & installation of conforming septic
- 6/06/1980 – Sewer Certificate
- 6/26/1981 – Land use permit for 14x20 workshop
- 7/26/1984 – Land use permit for 8x12 deck addition
- 7/08/1987 – Variance for Shoreline Alteration to remove ice ridge and dirt moving
- 8/04/1987 – Land use permit for (2) 10x20 decks
- 8/10/1987 – Land use permit for dirt fill
- 8/09/1999 – Land use permit to upgrade septic system

- 8/24/1999 - Certificate of Compliance
- 9/02/1999 – Land use permit to upgrade septic system
- 9/27/1999 – Sewer Certificate
- 9/28/1999 – Compliance Inspection
- 9/30/1999 – Land use permit for 20x29 addition to dwelling
- 6/21/2000 - Land use permit for 12x17 deck
- 9/28/2001 - Land use permit for 3x18 cantilever on north side of existing dwelling
- 8/05/2003 – Compliance Inspection
- 9/06/2003 – Land use permit for 20x23 storage shed
- 7/27/2004 - Land use permit for 8x8 dormer in roofline
- 9/25/2024 - Wetland Delineation
- 3/17/2025 - Shoreland Alteration Permit for 20x24 recreation area with sand blanket
- 5/15/2025 - Compliance Inspection

Agencies Notified and Responses Received:
CWC Highway Department: No comment received as of 4/09/2026
MN DNR: No comment received as of 4/09/2026
SWCD: One comment received on 1/14/2026
Bay Lake Township: Recommend disapproval on 1/13/2026
Clearwater Lake Association: No Comment as of 4/09/2026

1/15/2026 Public Hearing Notifications and Responses Received:
Published in the Brainerd Dispatch on 12/31/2025
Mailing notification sent on 1/02/2026 to owners in a ½ mile radius of parcel.

Tabled by applicant on 1/15/2026.

3/19/2026 Public Hearing Notifications and Responses Received:
Mailing notification sent on 3/06/2026 to owners in a ½ mile radius of parcel.
Published in the Brainerd Dispatch on 3/07/2026

Tabled by PCBOA 3/19/2026

4/16/2026 Public Hearing Notifications and Responses Received:
Mailing notification sent on 4/03/2026 to owners in a ½ mile radius of parcel.
Published in the Brainerd Dispatch on 4/04/2026

Per findings of fact discussed 4/16/2026, the application submitted 12/10/2025, the staff report, on-site conducted 2/05/2026, public testimony, and as shown on the Certificate of Survey dated 3/17/2026; Located in Bay Lake Township, Crow Wing County, Minnesota

CROW WING COUNTY MINNESOTA

Aerial



Aerial Topo

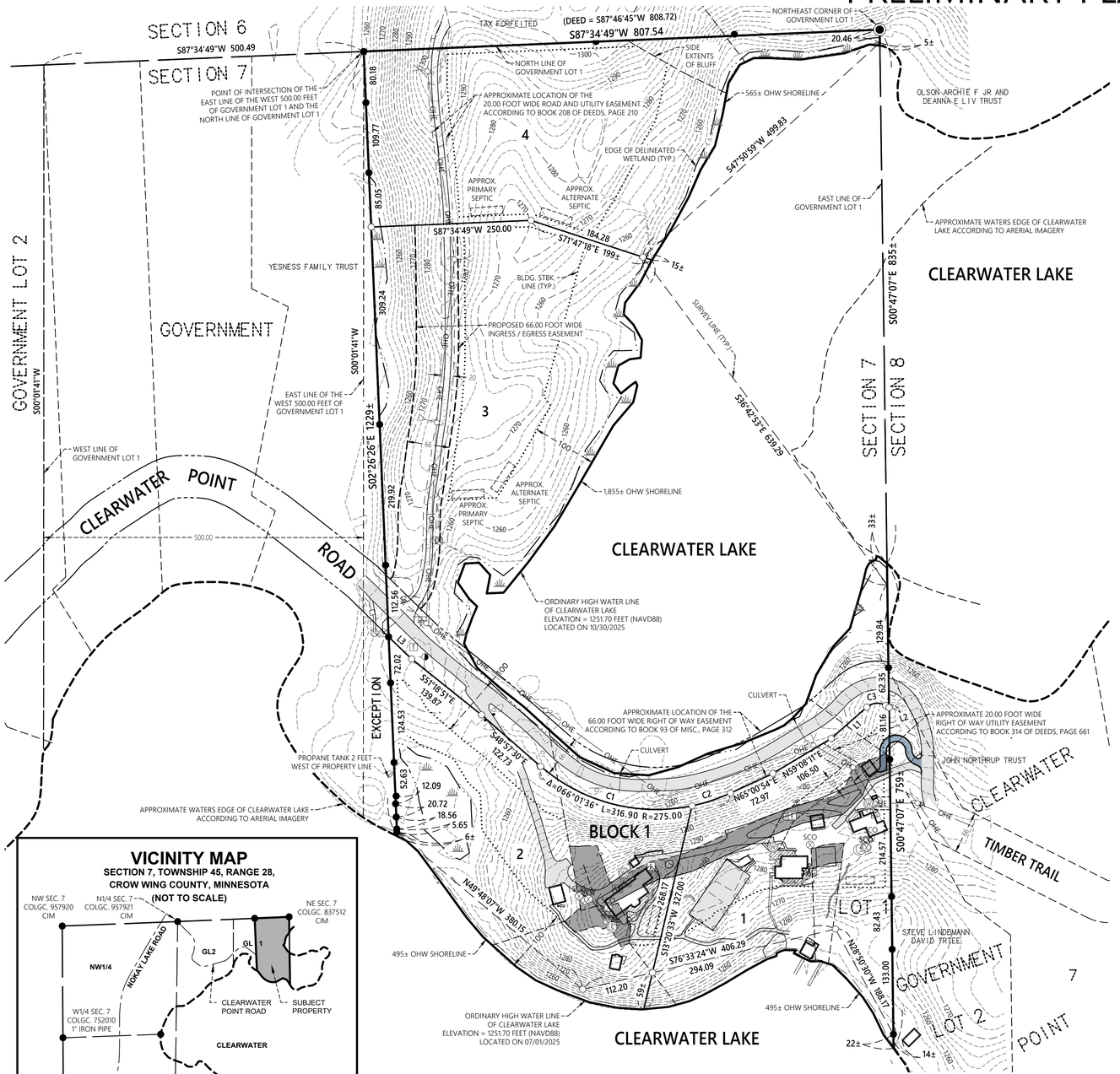


Aerial FEMA



CLEARWATER POINT SECOND ADDITION

PRELIMINARY PLAT



LOT AREAS:

LOT 1, BLOCK 1,
TOTAL AREA = 119,070± SQ. FT.
BUILDABLE AREA = 30,080± SQ. FT.
IMPERVIOUS SURFACES = 19,685 SQ. FT.
19,685 / 119,090 = 0.165 // 16.5%

LOT 2, BLOCK 1,
TOTAL AREA = 138,860± SQ. FT.
BUILDABLE AREA = 33,300± SQ. FT.
IMPERVIOUS SURFACES = 14,220 SQ. FT.
14,220 SQ. FT. / 138,860 = 0.102 // 10.2%

LOT 3, BLOCK 1
TOTAL AREA = 265,590± SQ. FT.
BUILDABLE AREA = 58,510± SQ. FT.

LOT 4, BLOCK 1
TOTAL AREA = 166,315± SQ. FT.
BUILDABLE AREA = 78,820± SQ. FT.

LINE AND CURVE TABLE:

L1 = BRG=N48°41'07"E	L=74.13 FEET	
L2 = BRG=S58°35'27" E	L=6.07 FEET	
L3 = BRG=S46°09'54" E	L=49.77 FEET	
C1 = L=253.58 FEET	DELTA=52°50'01"	RADIUS=275.00 FEET
C2 = L=63.32 FEET	DELTA=13°11'34"	RADIUS=275.00 FEET
C3 = L=31.73 FEET	DELTA=72°43'26"	RADIUS=25.00 FEET

CHB=S75°22'31"E
CHB=S71°36'41"E
CHB=N85°02'50"E

SURVEYOR'S NOTES:

THE PIN FOR THE SUBJECT PROPERTY IS 50070563.

ACCORDING TO THE CROW WING COUNTY PROTECTED WATERS INVENTORY, CLEARWATER LAKE IS CLASSIFIED AS A RECREATIONAL DEVELOPMENT (RD) LAKE.

ACCORDING TO THE CROW WING COUNTY INTERACTIVE MAPPING APPLICATION, THE SUBJECT PROPERTY IS CURRENTLY LOCATED WITHIN THE SHORELAND RESIDENTIAL ZONING DISTRICT. ALL ADJACENT SURROUNDING PROPERTIES ARE CLASSIFIED AS SHORELAND RESIDENTIAL ZONING.

THIS SURVEY IS BASED ON THE CROW WING COUNTY COORDINATE DATABASE NAD83. ALTHOUGH THE EXISTING DEED BEARINGS DIFFER FROM THE CROW WING COUNTY BEARING SYSTEM, THE ANGULAR RELATIONSHIP BETWEEN THE BOUNDARY LINES SHOWN CORRESPONDS TO THE DEED LINES.

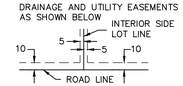
THE WETLANDS SHOWN ON THIS SURVEY WERE DELINEATED AND LOCATED BY MITCH BRINKS, CERTIFIED WETLAND DELINEATOR NO. 1007, ON 09/25/2024.

***LEGAL DESCRIPTION:* ACCORDING TO STEWART TITLE GUARANTY COMPANY COMMITMENT NO. 10694-25, Effective Date: JULY 03, 2025:**

ALL THAT PART OF GOVERNMENT LOT ONE (1), SECTION 7, TOWNSHIP 45, RANGE 28, CROW WING COUNTY, MINNESOTA, EXCEPT THAT PART DESCRIBED AS FOLLOWS: ALL THAT PART OF GOVERNMENT LOT 1 LYING WEST OF A LINE DRAWN FROM THE NORTH LINE OF SAID LOT TO THE SOUTH LINE THEREOF AND PARALLEL WITH AND 500 FEET EAST OF THE WEST LINE OF SAID GOVERNMENT LOT 1, CONTAINING 12 ACRES, MORE OR LESS. SAID EXCEPTED PART HAVING BEEN CONVEYED IN A DEED RECORDED IN BOOK 98 OF DEEDS, PAGE 71, IN THE OFFICE OF THE COUNTY RECORDER, CROW WING COUNTY, MINNESOTA. AND ALSO EXCEPT THAT PART OF GOVERNMENT LOT 1, SECTION 7, TOWNSHIP 45, RANGE 28, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT WHERE THE EAST LINE OF THE WEST 500 FEET OF SAID LOT 1 INTERSECTS THE NORTH LINE OF SAID LOT 1, SAID POINT BEING 808.72 FET SOUTH 87 DEGREES 46 MINUTES 45 SECONDS WEST FROM THE NORTHEAST CORNER OF SAID LOT 1; THENCE SOUTH 2 DEGREES 14 MINUTES 30 SECONDS EAST 1228.6 FEET MORE OR LESS TO THE SHORE OF CLEARWATER LAKE; THENCE NORTH 57 DEGREES 59 MINUTES 45 SECONDS WEST 62.97 FEET ALONG SAID SHORE TO THE EAST LINE OF THE WEST 500 FEET OF SAID LOT 1; THENCE NORTH 0 DEGREES 14 MINUTES 15 SECONDS EAST 1193.78 FEET ALONG SAID EAST LINE TO THE POINT OF BEGINNING.

OWNERS	COBBLECREST PROPERTIES LLC 23001 CLEARWATER POINT ROAD BRAINERD, MINNESOTA 56401.
DESCRIPTION	PART OF GOVERNMENT LOT 1, SECTION 7, TOWNSHIP 45, RANGE 28, CROW WING COUNTY, MN
PROPOSED DESCRIPTION	LOTS 1 AND 2, BLOCK 1, LOTS 1 AND 2, BLOCK 2, CLEARWATER POINT SECOND ADDITION
SURVEYOR	TYLER J. POGREBA WIDSETH 7804 INDUSTRIAL PARK ROAD BAXTER, MN.
AREA	15.9± ACRES
ZONING	SHORELAND ZONING DISTRICT
DATE	APRIL 07, 2026

DRAINAGE AND UTILITY EASEMENTS ARE AS SHOWN BELOW



BEING 5 FEET IN WIDTH AND ADJOINING ALL INTERIOR SIDE LOT LINES AND 10 FEET IN WIDTH AND ADJOINING ALL ROAD LINES UNLESS OTHERWISE SHOWN.

N

0 100 200

SCALE IN FEET

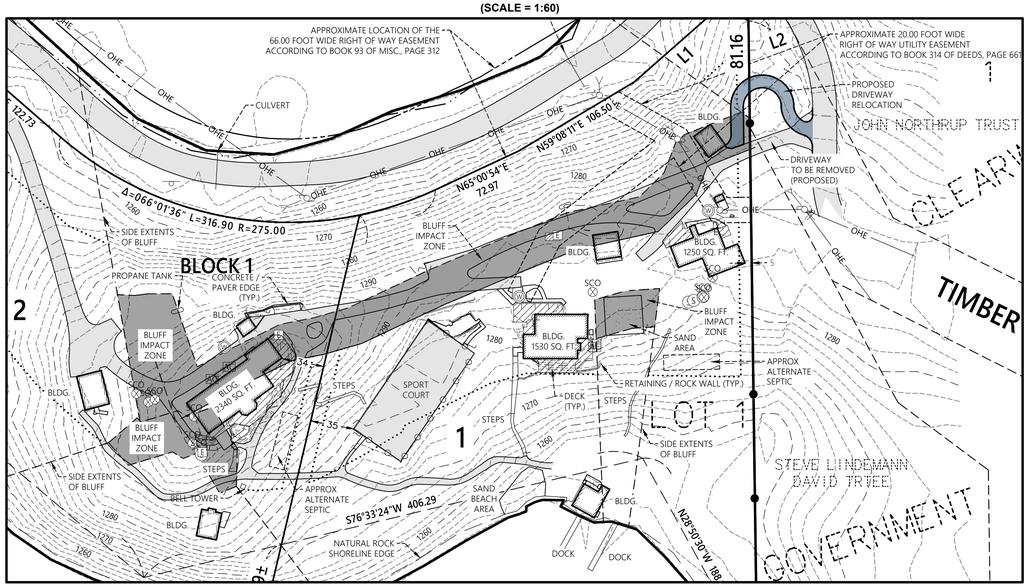
ORIENTATION OF THIS BEARING SYSTEM IS BASED ON THE CROW WING COUNTY COORDINATE DATABASE NAD83

ELEVATIONS BASED ON NAVD88
BENCHMARK MNDOT GEODETIC STATION MICHELLE ELEVATION = 1289.60

- DENOTES FOUND IRON MONUMENT
- DENOTES FOUND CAST IRON MONUMENT
- DENOTES 1/2 INCH DIAMETER BY 18 INCH LONG IRON PIPE SET AND MARKED BY RLS #60122
- DELINEATED WETLAND
- BITUMINOUS PAVEMENT
- PROPOSED BITUMINOUS PAVEMENT
- GRAVEL PAVEMENT
- FENCE POST
- GUY POLE
- GUY WIRE ANCHOR
- MAILBOX
- SIGN - SINGLE
- FENCE - CHAINLINK
- FENCE - WOOD
- RETAINING WALL
- T — TELECOM PEDESTAL
- AC — AC UNIT
- LIGHT POLE
- E — ELECTRICAL METER
- E — PEDESTAL
- TRANSFORMER
- OHE — OVERHEAD ELECTRIC WIRE
- SCO — CLEANOUT
- S — MANHOLE
- BLUFF IMPACT ZONE (30 FEET FROM TOP)

BUILDING DETAIL AREA

(SCALE = 1:60)

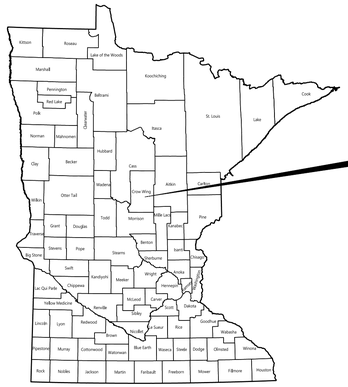


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COBBLECREST DRIVEWAY ACCESS RELOCATION

CROW WING COUNTY
MARCH 2026



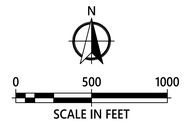
PROJECT LOCATION

SECTION 7, TOWNSHIP 45, RANGE 28
CROW WING COUNTY, MINNESOTA

INDEX TO DRAWINGS	
SHEET NO.	DESCRIPTION
1	TITLE SHEET
2	EROSION CONTROL DETAILS
3	SITE PLAN
4	GRADING & EROSION CONTROL PLAN



MAP DESCRIPTION: PARTIAL MAP OF CROW WING COUNTY, MINNESOTA



THIS PLAN SET CONTAINS COLOR GRAPHICS. BLACK AND WHITE PRINTS ARE NOT OFFICIAL SIGNED DOCUMENTS.

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DRAWN BY: JDS
CHECKED BY: JDS

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

JEREMY D. SCHWARZE LIC. NO.: 55498 DATE: 03/26/2026

DATE	REV#	REVISIONS DESCRIPTION

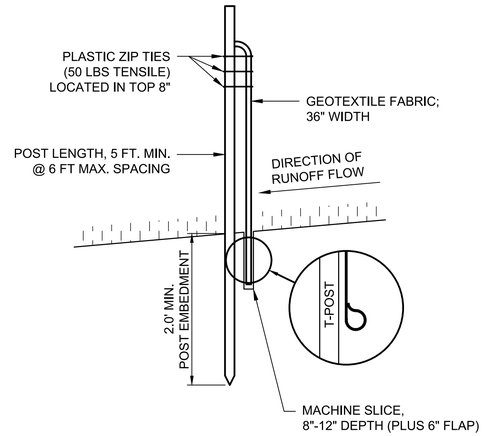
COBBLECREST DRIVEWAY ACCESS RELOCATION

TITLE SHEET

1

PROJECT #: 2025-11777

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SILT FENCE, MACHINE SLICED
SCALE: NONE

DATE ISSUED:

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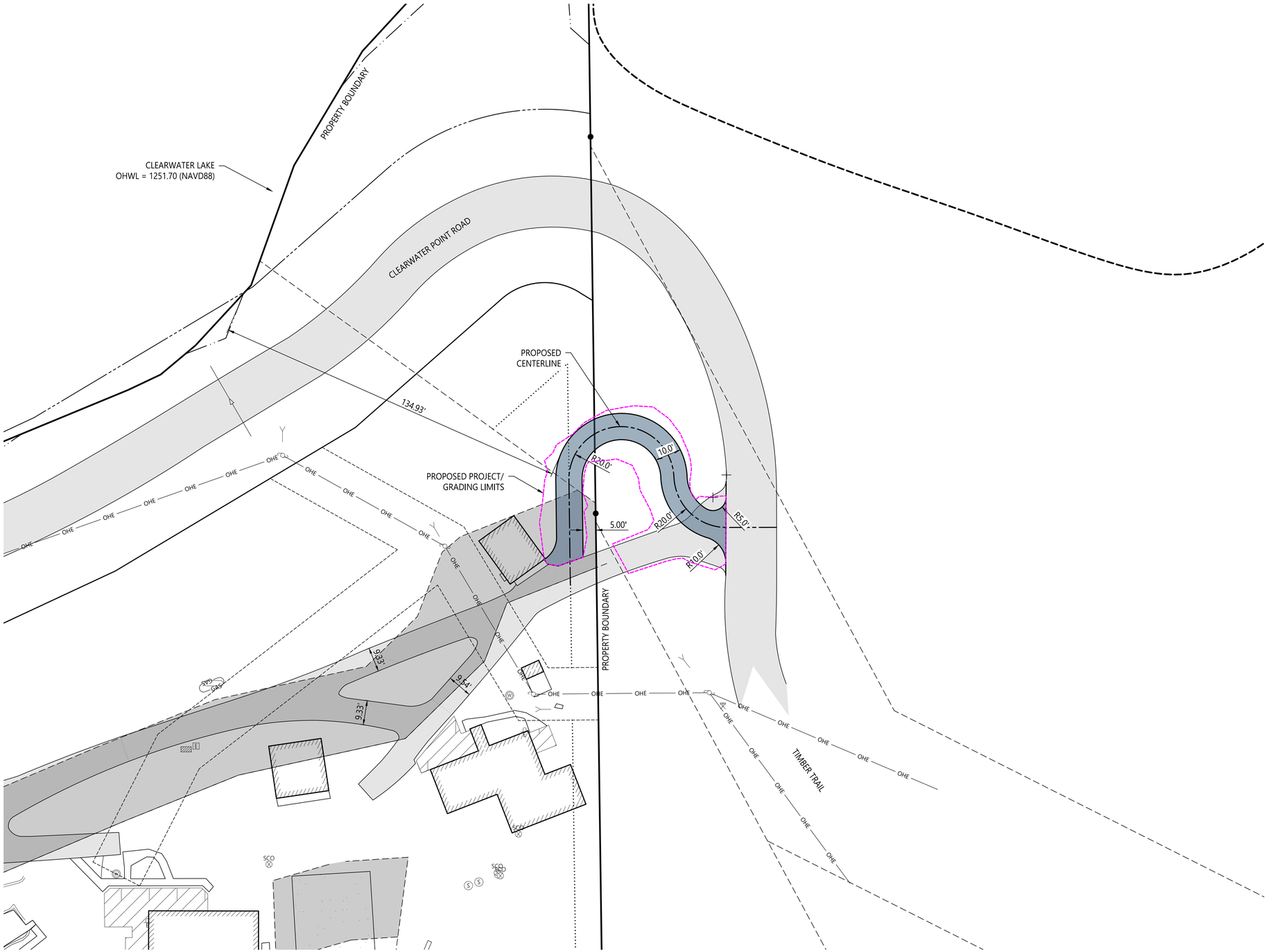
COBBLECREST DRIVEWAY ACCESS RELOCATION

EROSION CONTROL DETAILS

2

PROJECT #: 2025-11777

THIS SHEET IS ONLY VALID IF PRINTED IN COLOR



EXISTING & PROPOSED PLAN LEGEND

- PROPOSED BITUMINOUS PAVEMENT
- EXISTING BITUMINOUS SURFACE
- EXISTING BUILDING

IMPERVIOUSNESS CALCULATIONS

PROPERTY SIZE = 15.9 ACRES
PROPOSED AREA OF DISTURBANCE = 2,295 SQ. FT. (0.06 ACRES) (0.33%)

EXISTING DRIVEWAY TO BE REMOVED = 650 SQ. FT.
PROPOSED NEW IMPERVIOUS = 1,284 SQ. FT.
TOTAL NET NEW IMPERVIOUS = 634 SQ. FT.

0 20 40
SCALE IN FEET

N

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JEREMY D. SCHWARZE LIC. NO.: 55498 DATE: 03/26/2026

DATE	REV#	REVISIONS DESCRIPTION

COBBLECREST DRIVEWAY ACCESS RELOCATION

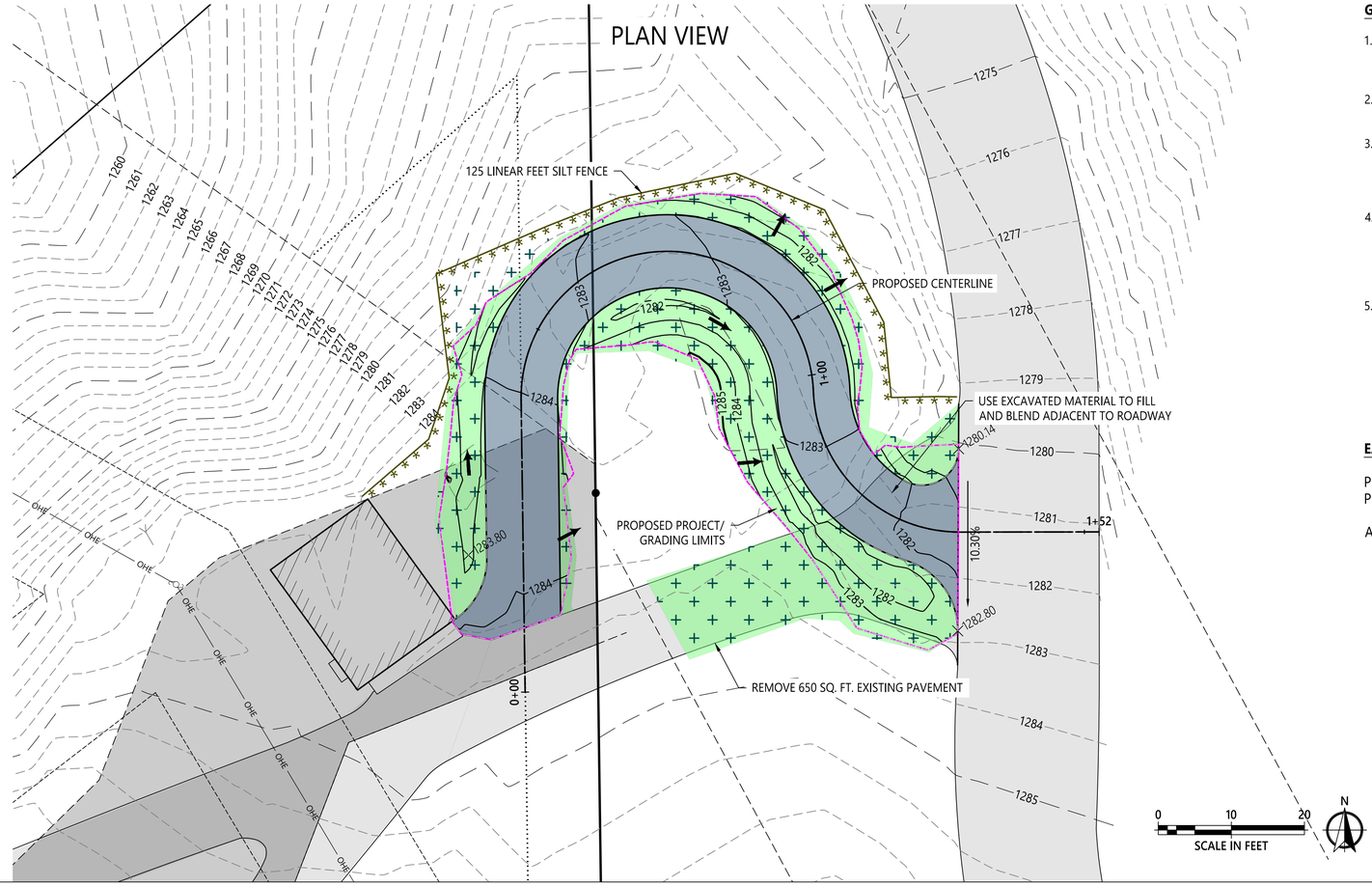
SITE PLAN

3

PROJECT #: 2025-11777

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PLAN VIEW



GENERAL PLAN NOTES

1. ALL CONSTRUCTION SHALL CONFORM TO LOCAL, STATE, AND FEDERAL REGULATIONS, INCLUDING THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT REQUIREMENTS.
2. HAULING HOURS MUST BE CONFIRMED WITH THE CITY PRIOR TO BEGINNING WORK.
3. ALL SILT FENCE AND SEDIMENT CONTROL MEASURES MUST BE IN PLACE PRIOR TO ANY EXCAVATION OR CONSTRUCTION ACTIVITIES AND SHALL BE MAINTAINED UNTIL 70% TURF OR GROUND COVER HAS BEEN ESTABLISHED.
4. ALL STREETS UTILIZED FOR PROJECT CONSTRUCTION MUST BE CLEANED AT THE END OF EACH DAY. A STABILIZED CONSTRUCTION EXIT (ROCK CONSTRUCTION ENTRANCE) SHALL BE PROVIDED TO REDUCE TRACKING OF SEDIMENT ONTO PUBLIC STREETS. STREET SWEEPING MAY BE NECESSARY.
5. ALL EXPOSED SOILS SHALL BE STABILIZED WITH TURF/SOD/SEED WITHIN FOUTEEN (14) CALENDAR DAYS AFTER CONSTRUCTION ACTIVITIES HAVE CEASED. ALL STOCKPILES SHALL HAVE ADEQUATE SEDIMENT TRAPPING SYSTEMS INSTALLED AROUND THE PERIMETER.

GRADING & EROSION CONTROL LEGEND

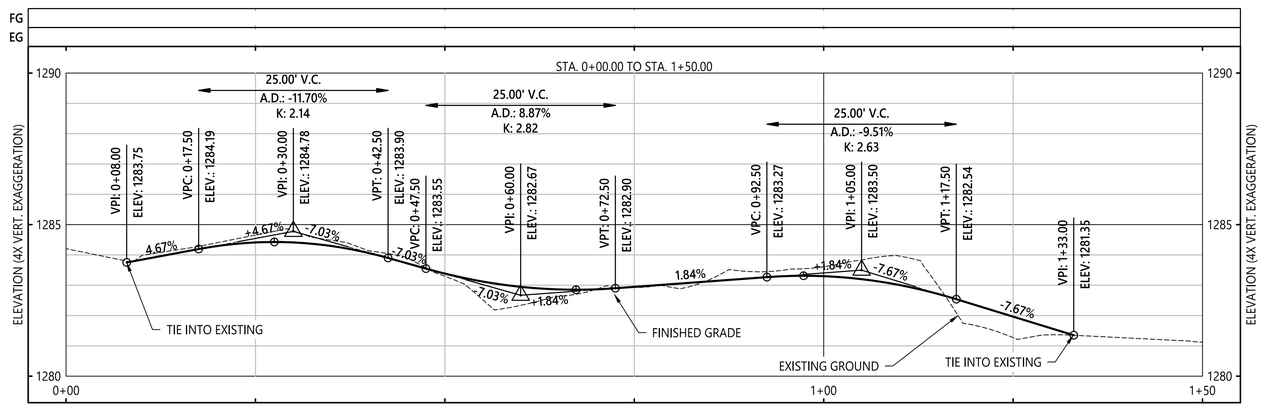
- TURF ESTABLISHMENT
- SURFACE DRAINAGE FLOW DIRECTION ARROW
- SILT FENCE
- 1230 EXISTING MAJOR CONTOURS (WITH LABEL)
- 1234 EXISTING MINOR CONTOURS (WITH LABEL)
- 1230 PROPOSED MAJOR CONTOURS (WITH LABEL)
- 1234 PROPOSED MINOR CONTOURS (WITH LABEL)
- -1.23% FINISHED GRADE SLOPE - PERCENT

EARTHWORK CALCULATIONS

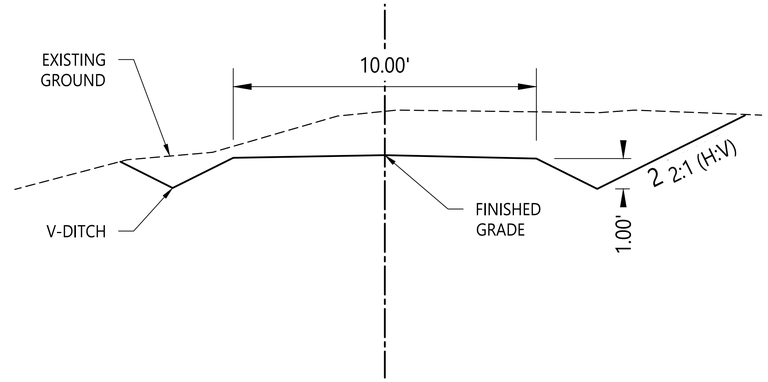
PROPERTY SIZE = 15.9 ACRES
PROPOSED AREA OF DISTURBANCE = 2,295 SQ. FT. (0.06 ACRES) (0.33%)

APPROX. EARTHWORK QUANTITIES
- TOTAL PROJECT
  - EXCAVATION (CUT) = 40 CUBIC YARDS
  - EMBANKMENT (FILL) = 15 CUBIC YARDS
  - NET <CUT> = 24 CUBIC YARDS
- WITHIN PROPERTY BOUNDARY
  - EXCAVATION (CUT) = 8 CUBIC YARDS
  - EMBANKMENT (FILL) = 3 CUBIC YARDS
  - NET <CUT> = 5 CUBIC YARDS

CENTERLINE PROFILE VIEW



TYPICAL SECTION



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DRAWN BY: JDS
CHECKED BY: JDS

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JEREMY D. SCHWARZE LIC. NO.: 55498 DATE: 03/26/2026

DATE	REV#	REVISIONS DESCRIPTION

COBBLECREST DRIVEWAY ACCESS RELOCATION

GRADING & EROSION CONTROL PLAN

4

PROJECT #: 2025-11777

ASSESSOR PHOTOS





















RECEIVED
By Stacy.Westhoff at 1:19 pm, Jan 14, 2026

TOWNSHIP RECOMMENDATION FORM

On January 13, 2026, the Town Board of Bay Lake discussed the Variance Request for Cobblecrest Properties, LLC

Variance Request For:

- Road right of way width of 33 feet where 66 feet is required.

Preliminary Plat:

- "Clearwater Point Second Addition" with 4 total lots

After reviewing the Request, the Town Board:

__ **RECOMMENDS APPROVAL:**

X **RECOMMENDS DISAPPROVAL:**

With the following Reasons:

Creating 4 lots where only 2 are conforming
Property need to be reconfigured into conforming lots
than there would be room for 66' Roads

___ **HAS NO RECOMMENDATION, BUT WILL FORWARD THE REQUEST TO THE PLANNING COMMISSION OR BOARD OF ADJUSTMENT**

SIGNED:

Township Clerk

Supervisor

Supervisor

Supervisor

CAROL PUNDT
Notary Public, Minnesota
(exp. date of notary public)
My commission expires.

PLANNING & ZONING RECOMMENDATION FORM

RECEIVED
By RECEIVED at 5:05 pm, Mar 09, 2026

Stacy Westhoff

From: jeff dragonhunterllc.com <jeff@dragonhunterllc.com>
Sent: Monday, March 9, 2026 8:13 AM
To: Stacy Westhoff
Subject: Re: Public Hearing notice

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Stacy
Thanks for this information
We are full time residents on Clearwater and have lived here for over 35 years
We do not have any objections to this plan

Regards

Jeff Zernov
Dragon Hunter LLC
211 NW 4th Street
Brainerd, MN 56401
218-851-6038
Jeff@dragonhunterllc.com

From: Stacy Westhoff <Stacy.Westhoff@crowwing.gov>
Sent: Friday, March 6, 2026 3:18 PM
To: jeff dragonhunterllc.com <jeff@dragonhunterllc.com>
Subject: Public Hearing notice

Good afternoon,

I do not have a mailing address for you so please see attached notice.

Stacy Westhoff
Planning Coordinator
Office: (218) 824-1010
Direct: (218) 454-7481
www.crowwing.gov

Land Services
322 Laurel Street Suite 15
Brainerd, MN 56401

Excellent customer service is our top priority. Please let me know if I was helpful!
Customer Service Survey

Our Vision: Being Minnesota's favorite place.
Our Mission: Serve well. Deliver value. Drive results.
Our Values: Be responsible. Treat people right. Build a better future.

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RECEIVED
By RECEIVED at 3:24 pm, Jan 14, 2026

To the Members of the Planning Commission:

Subject: Preliminary Plat for "Clearwater Point Second Addition"

The Crow Wing Soil and Water Conservation District (CWSWCD) has reviewed the proposed Preliminary Plat for "Clearwater Point Second Addition" with 4 total lots on Parcel number 50070563. The CW SWCD believes that this parcel has particular environmental benefits that merit extra consideration.

On October 24th, 2023, the Crow Wing County board of Commissioners voted unanimously to approve the Mississippi-Brainerd Comprehensive Management plan. This plan serves as a replacement for the Crow Wing County Water Plan and establishes a set of goals for CW SWCD to work in partnership with the county to achieve. Clearwater Lake (18003800) is identified as a priority lake in the "Protect" class in this document. This means that Clearwater Lake is of important economic, social and environmental value to the community; Lakes in this category have higher phosphorus sensitivity (risk) and outstanding biological significance (quality). The major focus for protecting this lake was on limiting nearshore phosphorus loading and permanently protecting natural areas in the lakeshed such as forests and wetlands.

The Clearwater Lake Implementation Plan specifically identifies Parcel 50070563 as an area where protection actions would have a high impact on water quality (Page 6).

This parcel is adjacent to over 500 acres of county administered land that serves as valuable habitat for a plethora of native species. Wildlife heavily depends on uninterrupted, continuous natural areas to feed and live. The SWCD staff would like to assist with ensuring this project is developed properly to ensure that habitat stays as connected as possible. The CW SWCD appreciates your consideration.

Thank You,

Crow Wing SWCD

RECEIVED
By RECEIVED at 3:53 pm, Jan 14, 2026

STINSON

Steven R. Lindemann
PARTNER
DIRECT: 612.335.1724
OFFICE: 612.335.1500
steve.lindemann@stinson.com

January 14, 2026

By Electronic Mail

Crow Wing County Planning Commission
322 Laurel Street, Suite 15
Brainerd, MN 56401
pcboa@crowwing.gov

Re: Objection to Application of Cobblecrest Properties LLC for Variance and for Preliminary Plat Approval

Dear Commissioners:

I write in opposition to the application of Cobblecrest Properties LLC for Variance and for Preliminary Plat Approval. The preliminary plat cannot be approved without violating the Crow Wing County Land Use Ordinances and Minnesota law because Block 1, Lot 1 of the proposed subdivision lacks legal access to a public road. Specifically, the driveway from Clearwater Point Road to proposed Block 1, Lot 1 crosses property owned by my family, and there is no easement in place for that encroachment. As a result, I request that this application be denied, or at a minimum tabled, until the access issue can be resolved.

Let me provide some factual background for my objection. First, I am a trustee for the family trust that my parents established many years ago for the benefit of my six siblings and me. The trust owns the property to the southeast of the subject property. Our property is labeled as belonging to "STEVE LINDEMANN DAVID TRTEE" on one of the drawings submitted by the applicant. (David is my brother.) My parents purchased our property more than forty years ago and built a modest cabin on it. My family has owned the property continuously since that time.

Second, the property owned by Cobblecrest Properties LLC (the "Cobblecrest Property") is served by a driveway that runs across the length of proposed Block 1, Lots 1 and 2. The driveway follows the crest of the ridge that runs from west to east across the property. The main entrance to the driveway from Clearwater Point Road is on the west side of the property. That entrance abuts the road, and I am not aware of any legal issues with that access.

The Cobblecrest Property driveway also has a segment that connects to Clearwater Point Road on the east side of the property. However, a portion of that driveway crosses the northwest corner of our property without any easement. For many years, our family has given permission to the Welch/Bros/Grim families, who are now the owners of Cobblecrest Properties LLC, to cross our property, for their convenience. This allowed them to enter and exit the Cobblecrest Property by means of this secondary entrance on the east side. From time to time my father and I discussed

with Bill Welch, the now deceased patriarch of one of the Cobblecrest Properties families, a potential sale of the portion of our property that is traversed by the Welch/Bros/Grim driveway and the additional piece of our property that extends beyond the driveway. We also discussed whether to grant an easement in exchange for some compensation. Neither action was taken. Instead, we have voluntarily permitted the Welch/Bros/Grim family to use the secondary entrance without granting them any legal rights to our property. The Welch/Bros/Grim family also accommodated a small encroachment near the lakeshore of a metal track system that we used to remove our pontoon boat from the lake. That track system no longer exists, as we now take our pontoon boat to the public access for removal and storage in the winter.

Last fall, when we learned that the Cobblecrest Property was being put up for sale, we expected that someone from the Welch/Bros/Grim families would discuss the access issues with us, but that did not happen. Soon thereafter, I understood that the property had been taken off the market.

Until this week, I was unaware that the Cobblecrest Property owners were planning to subdivide their property. At no time did anyone approach me or my siblings to discuss the access issue. Based on my review of the proposed subdivision, it is clear that the applicant plans to make the secondary entrance on the east side of the property into the sole and permanent access to Clearwater Point Road from proposed Block 1, Lot 1. If the preliminary plat were to be approved, it would violate both my family's property rights under Minnesota law and Crow Wing County Land Use Ordinance Section 9.7.C.2, which states: "Every lot must have adequate legal access to a public road or approved private road."

Proposed Block 1, Lot 1 does not have adequate legal access to the road. Because of the very steep, slopes surrounding proposed Block 1, and the proposed boundary lines for the subdivision, the only way to access proposed Lot 1 is through proposed Lot 2. The application makes no provision for that, so there is no legal access proposed for getting from Block 1 Lot 1 to Clearwater Point Road.

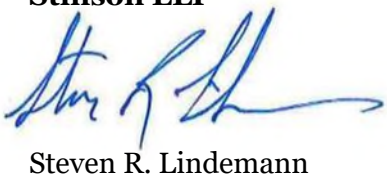
Of course, the Cobblecrest Property owners could discuss with my family potential alternatives that would allow access to Clearwater Point Road from the east end of the property. That could include purchasing a portion of our property, a land swap, a legally valid easement, or something else. Unfortunately, the Cobblecrest Property Owners have not discussed any options with us. Not addressing the issue now would be a recipe for costly and time-consuming litigation, and that would be unfortunate waste of resources.

The bottom line is that the preliminary plat application must be denied, or at least tabled, until issues relating to legal access to proposed Block 1, Lot 1 are resolved.

I plan to attend the hearing on January 15. However, due to previously scheduled work commitments earlier in the day, I will need to attend the hearing virtually. I would be happy to address any questions you may have at that time.

Very truly yours,

Stinson LLP



Steven R. Lindemann

SRL:kb

RECEIVED
By RECEIVED at 8:48 am, Jan 15, 2026

Stacy Westhoff

Subject: cobblecrest properties

From: andolson@brainerd.net <andolson@brainerd.net>
Sent: Wednesday, January 14, 2026 8:45 PM
To: LandservicesVM <Landservices@crowwing.gov>
Cc: Craig & Monica Olson <macolson1240@gmail.com>
Subject: cobblecrest properties

You don't often get email from andolson@brainerd.net. Learn why this is important

Our concerns/questions about this development:

1. Is block 2, lot 1 and lot 2, going to be for a single home on each lot? Or is this a commercial venture intended for a multi-housing, such as a THA, or HOA?
2. Is the common drive/road on block 2 lot 2 set for a 66' right of way?

3.Why is there a need for variance of 33' right of way on block 2 lot 1?

If this is going to be a multi-housing development there should not be a variance, they should be held to the standard set by the county, a 66' right of way.

Respectfully,
Deanna Olson
22846 Clearwater point Road
Brainerd, MN 56401

RECEIVED
By Stacy Westhoff at 11:07 am, Mar 13, 2026

TOWNSHIP RECOMMENDATION FORM

On March 12, 2026, the Town Board of Bay Lake discussed the Variance Request and Preliminary Plat for Cobblecrest Properties, LLC

Variance Request For:

- 15 cubic yards of dirt moving within the bluff impact zone where no dirt moving is allowed
- The placement of a driveway located within a bluff impact zone where the driveway is required to meet the 30 foot bluff setback.

Preliminary Plat:

- "Clearwater Point Second Addition" with 4 total lots.

After reviewing the Request, the Town Board:

__ **RECOMMENDS APPROVAL:**

X **RECOMMENDS DISAPPROVAL:**

This was a unamious vote of all three supervisors. Two of them voted by Zoom.

With the following Reasons:

We are recommending denial for the dirt moving in the bluff impact zone as it is extremely excessive in relation to the ordinance. We are also recommending denial of the new driveway which is also in the bluff impact zone and does not meet the 30 feet setback. The neighbor has offered an easement to continue using the existing driveway. As the road authority for Clearwater Pt. Rd. we are asking not to have the driveway in this location as it would create a more dangerous situation for pedestrians and others who use the road.

___ **HAS NO RECOMMENDATION, BUT WILL FORWARD THE REQUEST TO THE PLANNING COMMISSION OR BOARD OF ADJUSTMENT**

SIGNED:

Township Clerk

Supervisor

Supervisor

Supervisor

CAROL PUNDT
Clerk, Crow Wing County, Minnesota
Notary Public ex officio notary public
My term is indeterminate.

RECEIVED
By Stacy Westhoff at 11:24 am, Mar 16, 2026

Stacy Westhoff

From: Charles Lick <charleslick@me.com>
Sent: Monday, March 16, 2026 11:12 AM
To: Stacy Westhoff
Subject: Cobblecrest property variance Clearwater Lake

Follow Up Flag: Follow up
Flag Status: Flagged

You don't often get email from charleslick@me.com. Learn why this is important

RE: Cobblecrest Properties Variance Request (New Driveway Entrance) – Safety Concerns

We have concerns with the Cobblecrest's variance request to move one of their driveway accesses to Clearwater Point Road by creating a new driveway entrance where an uphill, nearly ninety-degree curve exists. We are concerned about the safety of this potential change.

Many residents/guests use Clearwater Point Road for exercise, jogging, dog walking including children/grandchildren. Also there is golf cart and ATV activity on the road.

The proposed driveway change would move the access to a steeper part of the road and be much closer to the ninety degree bend in the road with limited visibility. We are concerned about the safety of walkers on the road.

Thank you.

Charles and Jennifer Lick
23078 Clearwater Point Road
Brainerd MN 56401

RECEIVED
By Stacy Westhoff at 2:22 pm, Mar 16, 2026

Stacy Westhoff

From: Gary Perkins <gjperkins2@comcast.net>
Sent: Monday, March 16, 2026 1:51 PM
To: Stacy Westhoff
Cc: PCBOA
Subject: Cobblecrest Properties LLC Variance Request (New Driveway Entrance) – Safety Concerns

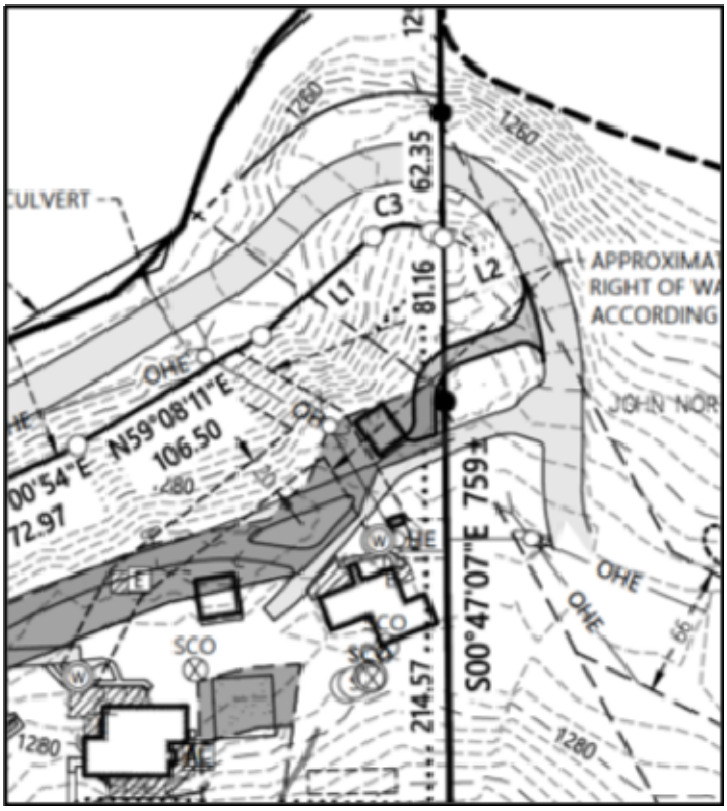
You don't often get email from gjperkins2@comcast.net. Learn why this is important

Dear Commissioners:

We have concerns with the safety hazard of Cobblecrest's variance request to move one of their accesses to Clearwater Point Road by creating a new driveway entrance where an uphill, nearly ninety-degree curve exists.

We have property at 23063 Clearwater Point Road and drive through this portion of the road to get to our property. We have had our property for 24 years. Given the normally limited vehicle traffic on Clearwater Point Road many property owners are frequent walkers on this road, including with young children and dogs. Property owners also use the road to take young children on golf cart/UTV rides.

We would strongly recommend the Planning Commission obtain photographs (or a video) of this area to appreciate how sharp and uphill Clearwater Point Road is at this section of the road. The photos will make it very evident this proposed new entrance has very restricted site lines to anyone coming up Clearwater Point Road, or exiting the proposed driveway. This proposed new driveway location adds a significant safety risk, especially to pedestrians and bikers on the road.



We believe alternatives should be evaluated to reduce the safety hazards, such as moving this proposed new entrance closer to the existing driveway entrance.

Honestly, finding a way to use the existing driveway would be the best solution, if the two parties involved could reach a fair outcome for them both.

Respectfully,

Gary & Kirstin Perkins
23063 Clearwater Point Rd
Brainerd, MN

RECEIVED
By Stacy Westhoff at 3:22 pm, Mar 16, 2026

Stacy Westhoff

From: Barb Schmitz <blschmitz7@gmail.com>
Sent: Monday, March 16, 2026 3:14 PM
To: PCBOA
Subject: Cobblecrest Properties, LLC application for variance

You don't often get email from blschmitz7@gmail.com. Learn why this is important

Crow Wing County Planning Commission
322 Laurel St.
Brainerd, MN 56401

Dear Commissioners,

I am concerned that Cobblestone Properties' application for a variance to build a new driveway entrance to access Clearwater Point Road poses a safety hazard.

My family has owned property at 23067 Clearwater Pt. Rd. for 55 years, and drive on the same portion of the road in question to access our property. The proposed new driveway entrance would have limited sight lines in either direction due to the uphill/downhill tight curve. There is a lot of pedestrian traffic on this section of the road, including walkers and runners, bikes, and golf cart/ATV vehicles.

I believe the proposed new driveway adds a safety risk, and I therefore oppose the granting of this variance. I hope that an alternative can be found.

Thank you for your consideration.

Sincerely,

Barbara Schmitz
23067 Clearwater Point Rd.

RECEIVED
By Stacy Westhoff at 8:13 am, Mar 17, 2026

Stacy Westhoff

To: LandservicesVM
Subject: RE: Letter for Board of adjustment meeting March 19, 3 pm Cobblecrest Properties LLC

From: John Northrup <john@gmnorthrup.com>
Sent: Monday, March 16, 2026 10:01 PM
To: LandservicesVM <Landservices@crowwing.gov>; Nicholette Dunlap <Nicholette.Dunlap@crowwing.gov>
Cc: John Northrup <john@gmnorthrup.com>
Subject: Letter for Board of adjustment meeting March 19, 3 pm Cobblecrest Properties LLC

Some people who received this message don't often get email from john@gmnorthrup.com. Learn why this is important

Dear Land Services and Nicholette:
Please find attached my letter on the Cobblestone Properties request for variances which I would like added to the agenda packet for this meeting. Please let me know if you can help me get this letter entered to the meeting. I am planning on attending the meeting remotely but I am out of state and sometimes the remote connections are not the clearest. Thank you very much Nicholette and Land services. Please let me know how to proceed to get this letter added.
Very best regards,
John Northrup
612-309-7099

John Northrup
Cell: 612-309-7099
john@gmnorthrup.com

From: John Northrup <john@gmnorthrup.com>
Date: Monday, March 16, 2026 at 9:27 PM
To: John Northrup <john@gmnorthrup.com>
Subject: FW: Cobblecrest Properties LLC parcel #50070563 Sub division and request for varience

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Subject: Cobblecrest Properties LLC Sub division and request for varience 50080505

Dear board members,
We own parcel #50080505, the property and cabin at 23020 Clearwater Point Rd. right next to the Cobblecrest Properties parcel, so any subdivision, redevelopment, road, or driveway changes will immediately impact us. Cobblecrest Properties' two driveways on the South side of the road are right across the street from our driveway, and that is where they want to cut in a third driveway so they can split that side into two lots, lots 1 & 2. Their property also extends across to the other side of the road, to the bluffs, Marsh and Wetlands that make up the shoreline of the small bay on the North side of Clearwater Point Road. This is right next to our property and our shoreline, where they want to triple the 20 ft width of the existing Olson Driveway to a 66 ft wide road,make further subdivision adding two more new lakeshore lots, 3 & 4, each with an underground septic system. This is not a simple driveway access issue, this is a major redevelopment creating four (4) new lots, each lot with the right to build two dwellings, or a duplex on each lot. That's 8 dwellings with septic, lake accesses, docks, boats, vehicles, road accesses, added traffic, etc. All within an extremely sensitive shoreline, bluff and wetland habitat. The Bill Welch property now owned by Cobblecrest Properties LLC's is and always has been only one lot, regardless of how many cabins and structures were added to it over the years. Bill Welch himself told me that "things had gotten out of hand" and that He "should not have allowed the additional buildings to be added". Cobblecrest put the property up for sale as a single parcel for over $2 million dollars

but it did not sell. It now appears that a real estate development company has been hired to sub divide the property, push the project through the County and maximum density to maximize the selling price of the property without regard for the consequences and at the expense of the community, the neighbors, the wildlife and the lake. For starters they want a variance to cut and remove part of the bluff on the south side of the road and add a third driveway access so they can subdivide the lot on the South side and split up the cabins. This will cause a blind entrance at an extremely dangerous steep and curved section of the road, and will endanger the families and people and children who regularly exercise, walk, run, and drive on this segment of road. Way too dangerous. Then on the North side of Road they want to triple the width of the Olson Driveway into a 66 ft wide road, and add the two new lakeshore lots #3 and #4 each with duplex possibility to further potentially multiplying the traffic on the road four times. Which will further endanger the neighborhood runners, walkers and other vehicles in an already dangerous stretch of road. This and the excessive damaging impact this development will to cause to the undeveloped Bay, shoreline, wetland, and bluff that surrounds the small bay on the NW side of the road. There are only two cabins on that Bay now, and they are located to the East side, towards the main lake away from the little bay that is a little wildlife wetland on the NW side of Clearwater Point Road, right where Cobblecrest Properties LLC want to develop the two new lakeshore lots. When I asked the county about docks and lake access for these new lots they stated immediately that the new lot owners could cut 100ft wide swaths through the wetland and marsh down to the lake for each lot, put in docks, boats, etc. that would destroy the little wetland habitat housing a myriad of wildlife. This is an area that is now home to a flock of Swans, a family of loons, and a community of beavers. The only traffic disturbing this little bay now is the occasional evening bass fisherman casting into the lily pads. This subdivision and development to add more lots in this sensitive area should not be approved. I was required to combine and reduce the number of lots on my property. When I wanted to build a small storage building on my two large lots right across the street on Clearwater Point Rd, I was required by the board to combine my two lots into one lot, a reduction of the number of lots, not an increase by 4x's. I believe this required combining of lots and reduction in number of lots originally patted was to reduce pressure on the lake, Shoreline, bluffs and wetlands, not to increase. Cobblecrest Properties LLC's request for changes, variances, splitting existing properties, adding driveways, widening roads, etc. etc. is simply to increase profits for the sale of this one property, and at the expense of the entire lake community and citizens of Crow Wing County. The Crow Wing Soil and Water Conservation District (CWSWCD) sent a letter to the board that is attached to todays packet clearly stating that Clearwater lake is a sensitive and important natural habitat of great value to the Community, and specifically requests "special consideration" and "Protection". The proposed development would create two new lakeshore lots on the east side of the small undeveloped and undisturbed Wetland Bay. The small bay is naturally surrounded by ridges and wetlands and is one of the only marshy protected bays on the lake. It is home to Beavers, Loons, Swans, Eagles, and Egrets and a host of other wildlife. I am concerned that the development would put more pressure on the bay than it can handle and would destroy the natural habitat and ecosystem that now exists and has existed for so many years. To do so would be a shame. I am also concerned that any such subdivision and further development would cause a significant increase in automobile traffic coming in and out of the property and put more pressure on Clearwater Lake Road. The road is fragile, curved, hilly, with numerous blind spots, and lots of foot traffic. It is already dangerous. Doubling the auto traffic impact from this parcel development would not be in the best interests and safety of the surrounding neighbors.

I do not wish to be unkind to the owners, but we do not want this sensitive and fragile area of the lake disturbed and compromised by heavy development to maximize profits for a few at the expense of many.

John & Margaret Northrup

STINSON

RECEIVED
By Stacy Westhoff at 8:17 am, Mar 17, 2026

Steven R. Lindemann
PARTNER
DIRECT: 612.335.1724
OFFICE: 612.335.1500
steve.lindemann@stinson.com

March 16, 2026

By Electronic Mail

Crow Wing County Planning Commission
322 Laurel Street, Suite 15
Brainerd, MN 56401
pcboa@crowwing.gov

Re: Objection to Application of Cobblecrest Properties LLC for Variance and for Preliminary Plat Approval

Dear Commissioners:

I am writing to oppose the renewed application of Cobblecrest Properties LLC for variances and for preliminary plat approval for subdivision of their property because installing a new driveway onto Clearwater Point Road in the location requested will pose serious safety and environmental hazards. The proposed driveway would also violate applicable standards for new driveway entrances onto a roadway in Crow Wing County and Bay Lake Township. As a result, the application should be denied.

Factual Background

My siblings and I own the property next door to the property owned by Cobblecrest Properties on Clearwater Lake. When Cobblecrest Properties previously applied for approval of a new subdivision, I wrote to the Planning Commission on January 14, notifying the Commission that Cobblecrest Properties had failed to disclose that one of its existing driveways, which was critical to approval of the proposed subdivision, crossed our property without an easement. As a result, the subdivision, as proposed, could not be approved. I requested that the application be tabled so that the parties could discuss putting an easement in place that would allow legal access over the existing driveway. Shortly after I submitted my letter, Cobblecrest Properties withdrew its application.

After the original application was withdrawn, I reached out to representatives of Cobblecrest Properties to discuss the possibility of granting a permanent easement for the existing driveway. We had what I believed to be a productive conversation. The representatives told me that Cobblecrest Properties would make an offer that my family could consider. Unfortunately, to my family's dismay, we received an extremely low offer of compensation for the easement. We made a counteroffer, but, thereafter, Cobblecrest Properties unilaterally broke off negotiations. I made it clear that there was room for both sides to compromise to reach a mutually agreeable easement

agreement. They told me that they would explore other options that did not require an easement over our property.

I expected that the Cobblecrest Properties owners would grant proposed Lot 1 of the Cobblecrest subdivision an access easement over proposed Lot 2. Essentially, this would involve the owners of Cobblecrest Properties granting an easement from one side of their property to the other, following the existing driveway. This would have allowed legal access to both lots from the existing driveway that enters Lot 2 from Clearwater Point Road and runs across the top of the ridge west to east across their property. That option would not require any further negotiation or compensation to my family. Nor would it require any construction or any variances.

To my surprise, the applicant instead is proposing installation of a brand new driveway that would enter onto Clearwater Point Road from the east side of proposed Lot 1 of the subdivsion. The new proposed driveway is a bad idea. It would enter the roadway onto a steeply sloped, curving portion of the road, creating a blind entrance that would not be visible to anyone rounding the curve. The variances required to approve the new driveway entrance, due to the driveway's proximity to a sensitive bluff impact zone, should be denied for three independent reasons: (1) the new proposed driveway will create an unsafe condition for drivers and pedestrians on Clearwater Point Road (2) it will and create significant environmental impacts to the area surrounding the proposed new driveway, and (3) it is unnecessary for the applicant to use the property or to subdivide it. The sole reason for the applicant to request a variance to build a new driveway is obtain an economic benefit for the applicant to the detriment of the surrounding community.

Standard of Review

To obtain a variance, an applicant bears the burden of proving three things:

1. Enforcement of the County ordinances, as applied to the property, would cause the landowner "practical difficulties" in using the property.

2. The variance would be in harmony with the general purposes and intent of the ordinance.

3. The terms of the variance are consistent with the comprehensive plan.

Minn. Stat. section 462.357. None of those criteria are met here.

The new proposed driveway would create an unsafe condition.

A visit to the site and a careful review of the drawing submitted by the applicant show that the entrance to the new driveway would be in the midst of an up-sloping blind curve in the roadway. Seven families have homes on the Clearwater Point Road cul de sac that is just beyond the east entrance to the subject property. On the weekends, many people walk their dogs, often with their

grandchildren, or jog on the road, going from the cul de sac and following Clearwater Point Road to Highway 8 and back. The upsloping blind curve obscures the entrance to the new driveway and would create a significant hazard to those pedestrians and to the oncoming vehicles driving up the hill and around the bend.

Crow Wing County has a policy governing driveway entrance/access under these circumstances. It requires entrance permit applications for new driveways and provides criteria for evaluating them. The policy states:

> Driveway entrance access located on roads with horizontal and vertical curves **must** be within sight distance requirements for oncoming traffic in both directions as determined by the CWC Highway Department. (emphasis added)

The obvious reason for this requirement is safety. Accidents are much more likely to happen when driveway entrances are obscured by steep slopes and curves. This proposed driveway location has both.

I spoke to Brian Berent, the CWC Highway Department Maintenance Manager, and Robert Hall, the Assistant County Engineer, about this issue. Both of them told me that Crow Wing County requires a minimum sight distance of 350 feet in both directions for new driveway entrances on county roads. The proposed new driveway entrance does not even come close to meeting that requirement. At most, the entrance would be visible from approximately 50 feet to vehicles and pedestrians coming up and around the curve.

MN DoT has issued a report called Best Practices for Rural Entrance Policy. This report specifically addresses this issue. It provides:

> **Ensure adequate sight distance at entrances.**
>
> [C]urves and changes in elevation/grade should not obscure sight lines at entrances. Sufficient sight distance is needed to view potential approaching vehicles that may conflict with the movement at the intersection, such that the movement can be safely made.

Best Practices for Rural Entrance Policy, Final Report 2002-31, Minnesota Department of Transportation, p. 12. Clearly, the dangers associated with inadequate sight distance, as is the case with the new proposed driveway, have been well understood for many years.

The Crow Wing County Highway Department representatives told me that Clearwater Point Road is a township road. As a result, Bay Lake Township has jurisdiction over new driveway entrances. This is important because Bay Lake Township has already considered the applicant's request for variances needed to create the proposed subdivision and unanimously recommended disapproval. This recommendation was made before the applicant proposed relocation of the

driveway, so it is likely that the Township will have even more issues with the requested variances. I spoke with Don Hales, the Chairman of the Township Board, who is also the Bay Lake Township Road Supervisor. He told me that he was out of state and would not be returning to Minnesota until March 16. As a result, the Township had not been able to provide input on the new application for variances. He expressed concerns about a new driveway being constructed in the area proposed, and he promised to review the situation on March 17.

The proposed configuration of the new driveway shows that it will be very difficult for emergency vehicles, such as fire trucks, to access the property from the township road. After entering the driveway from the blind curve, a fire truck would have to make a sharp left turn, followed by a sharp right turn, all to avoid encroaching on the Lindemann property on the east side or colliding with the existing building on the Cobblecrest property to the west. If emergency vehicles cannot enter the new driveway to proposed Cobblecrest Lot 1, it will create a significant fire hazard to the homes on the cul de sac and the people who live there, all of whom have no way out in the event of an out-of-control fire except by driving on Clearwater Point Road. Undoubtedly, this would also be a concern of the local fire department.

The new proposed driveway, and the excavation of the bluff impact zone necessary to build it, creates an environmental hazard.

The second reason for denying the proposed variance is that it will create, or more accurately exacerbate, an environmental hazard caused by the existing driveway. After heavy rains, the runoff from the existing asphalt driveway on the east side of the Cobblecrest property erodes the embankment and ditch alongside the inner curve of Clearwater Point Road. Silt, sand and other debris wash down to the bottom of the slope and accumulate in the ditch and onto the roadway. Bay Lake Township struggles to keep the roadway clear of the material covering the road, and residents often shovel sand and silt off the road after heavy rains to supplement the Township's efforts. In addition, the pavement in the area cracks and fails prematurely due to the water and debris that flows down the road from the Cobblecrest property.

The proposed new driveway would make things worse. The applicants are asking for a variance to build the driveway in a manner that encroaches into the bluff impact zone. They also seek a variance to excavate (115 cu yds of material) from that sensitive area to do so. That volume is the equivalent of 11 large dump trucks. There is no doubt that this will cause major erosion, not just during construction, but for years to come. Once a bluff starts eroding, it is very difficult to stop the erosion. That is precisely why the Crow Wing Land Use Ordinance does not allow building driveways, removing vegetation or removing large amounts of dirt in bluff impact zones.

It should also be noted that the Cobblecrest property includes sensitive wetlands. Most of those wetlands are immediately adjacent to, and down the slope from, the curve in Clearwater Point Road. That means the silt, sand and debris that run from the Cobblecrest driveway flow to the wetland. If the new driveway were built, it would create a large area of blacktop that would direct water, silt, sand and debris onto the roadway. Moreover, the new driveway would focus the

runoff onto the inner curve of the roadway, which is closest to the bluff. In contrast, the existing driveway emerges onto a flatter portion of the road. This allows the runoff to spread out and slow down in velocity.

In short, the new proposed driveway is a bad idea that, if approved, would create or exacerbate significant safety and environmental problems.

The new proposed driveway is completely unnecessary and would contradict the principles set forth in MN DOT's Best Practices for Rural Entrance Policy.

If the proposed driveway and the variances necessary to create it are not allowed, Cobblecrest Properties has two options that would facilitate approval of the proposed subdivision. First, they can negotiate a permanent easement across the Lindemann property for the existing driveway. Alternatively, they can grant a permanent easement for Lot 1 to use the existing driveway across Lot 2.

The second option, which is completely within the applicant's control, would require no variance and no expense to construct a new driveway. It would also improve, rather than exacerbate safety and environmental conditions. This option is also consistent with MN DOT's Best Practices for Rural Entrances Policy, which states on p. 16:

> Providing joint access and/or providing connections between individual developments, reduces conflicts and the number of local trips on the main roadway through interparcel circulation. Additional benefits include more efficient mail delivery, garbage service and emergency response. In addition, agencies should encourage landowners located along rural roads with larger lots to develop turnarounds on their property.
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> * * *
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> Another tool that can be used to minimize the number of access points along a roadway is relocating existing access. If a parcel is subdivided in the future, agencies should encourage developers and/or landowners to provide access by relocating an unused access point.

Consolidation of the existing entrances to the Cobblestone property from two driveways to one driveway that enters the property from a flat, straight roadway and extends to both properties would serve the objectives stated above.

Cobblestone Properties may argue that they don't want to create a driveway easement from Lot 2 to Lot 1 because it would reduce the market value of the two lots. That is not the type of "practical difficulties" that an applicant must prove in order to obtain an easement. Instead, the condition is solely an economic factor that cannot justify granting a variance. Even if economic factors are considered, the Cobblecrest owners are not a sympathetic party. Before any application for

subdividing the property was filed, they listed the property for sale at a price of $2.2 million. They now want to press forward with a subdivision that will bring them hundreds of thousands more in profit, while burdening their neighbors with safety and environmental hazards.

The residents of Clearwater Point Road and Clearwater Lake deserve better than that. The applicant has not met its burden of proving entitlement to the variances sought. The proposed driveway and associate variances are not consistent with the Crow Wing County Land Use Ordinance or the County's Comprehensive Plan. Without the variances, and without permanent easements on record that provide legal access to proposed Lot 1, the application for a subdivision must be denied.

One of the applicant's existing buildings is too close to the property line.

The drawing submitted with the application for preliminary plat approval shows that one of the applicant's buildings was built in a manner that does not comply with the required 10-foot setback from the eastern property boundary line of proposed Lot 1. The applicant is well-aware of that encroachment because we have discussed it with them on several occasions. They take the position that the building is "grandfathered in" because it has been in that location for many years, and the County has not required them to do anything about it. Our family has no objection to the existing building remaining where it is, but, if the current or future owners request a variance seeking approval to expand the square footage of the existing building, that request should be denied. We believe that approval of any subdivision should include a condition requiring that all construction on the site comply with current setback and other legal requirements.

I intend to attend the hearing on March 19 but am unable to be present in person. I respectfully request permission to address the Planning Commission through the Zoom call established for the meeting.

Thank you for your consideration.

Sincerely,



Steven R. Lindemann

SRL:mb

RECEIVED
By Stacy Westhoff at 9:52 am, Apr 15, 2026

TOWNSHIP RECOMMENDATION FORM

On April 14, 2026, the Town Board of Bay Lake discussed the Variance Request and Preliminary Plat for Cobblecrest Properties, LLC

Variance Request For:

- 35 cubic yards of dirt moving within the bluff impact zone where no dirt moving is allowed
- The placement of a driveway located within a bluff impact zone where the driveway is required to meet the 30 foot bluff setback.

After reviewing the Request, the Town Board:

__ **RECOMMENDS APPROVAL:**

X **RECOMMENDS DISAPPROVAL:**

With the following Reasons: See additional page.

___ **HAS NO RECOMMENDATION, BUT WILL FORWARD THE REQUEST TO THE PLANNING COMMISSION OR BOARD OF ADJUSTMENT**

SIGNED:

Carol Pundt
Township Clerk

Supervisor

Supervisor

Supervisor

CAROL PUNDT
Notary Public Minnesota

Page 1 of 2

PLANNING & ZONING RECOMMENDATION FORM

Driveway:

After reviewing the facts of this application, I am proposing that we respectfully recommend denial of the driveway as shown on the updated survey for the following reasons:

1) driveway is placed at the very top of a bluff which is not allowed in a bluff impact zone.

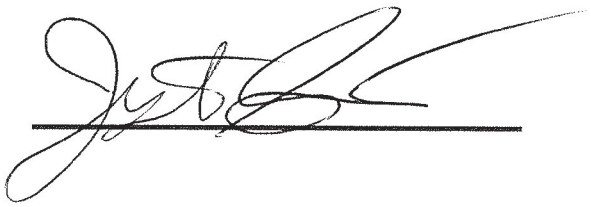
2) it is not necessary or needed for access to property as it currently has two ways to access property, one is a driveway that is completely on their property, the second driveway crosses the neighbors property without an easement but the neighbor is willing to negotiate an easement.

Dirt Moving

We are also respectfully asking you to deny the request for excessive dirt moving in a bluff impact zone where none is allowed. This request is for 99 cubic yards which BLT feels is extremely excessive.

Bay Lake Township Board of Supervisors







Page 2 of 2

RECEIVED
By Stacy Westhoff at 10:48 am, Apr 15, 2026

Stacy Westhoff

From: Barb Schmitz <blschmitz7@gmail.com>
Sent: Wednesday, April 15, 2026 10:00 AM
To: Stacy Westhoff
Subject: Cobblecrest Properties LLC Request for Variance

Follow Up Flag: Follow up
Flag Status: Flagged

You don't often get email from blschmitz7@gmail.com. Learn why this is important

Commissioners,

I am concerned that Cobblestone Properties' application for a variance to build a new driveway entrance to access Clearwater Point Road poses both a safety and an environmental risk.

My family has owned property at 23067 Clearwater Pt. Rd. for 55 years, and drive on the same portion of the road in question to access our property. The proposed new driveway entrance would have limited sight lines in either direction due to the uphill/downhill tight curve. There is a lot of pedestrian traffic on this section of the road, including walkers and runners, bikes, and golf cart/ATV vehicles.

I also believe the proposed new driveway goes too far into the bluff and is too close to the steep section of the bluff, which would result in erosion due to the removal of trees and vegetation on the top of the bluff.

I believe the proposed new driveway adds both a safety and environmental risk, and I therefore oppose the granting of this variance. I hope that an alternative can be found.

Thank you for your consideration.

Barbara Schmitz
23067 Clearwater Pt. Rd.

RECEIVED
By Stacy Westhoff at 3:09 pm, Apr 15, 2026

Stacy Westhoff

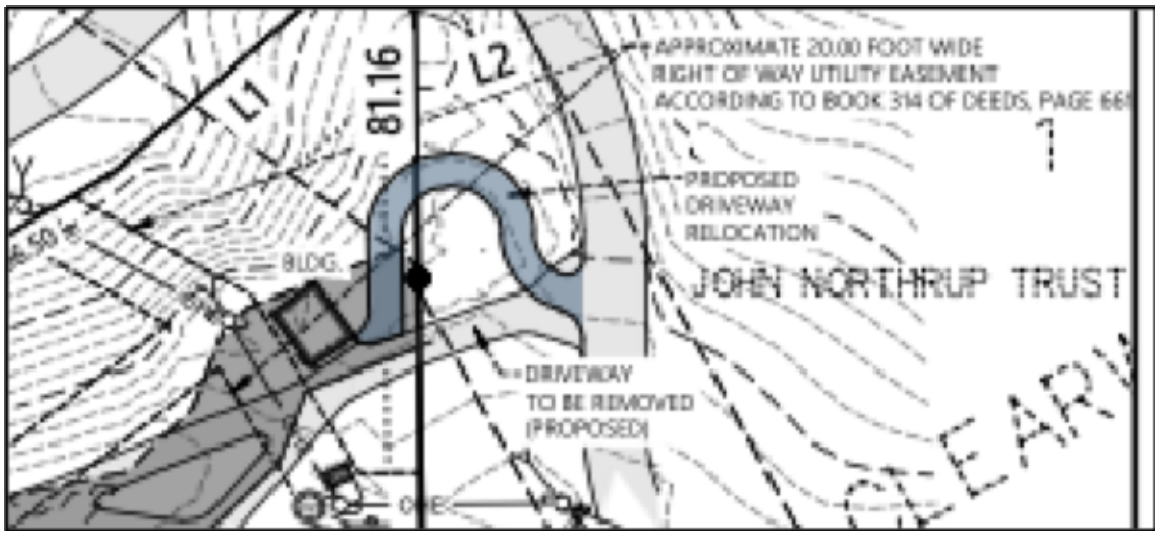
From: Gary Perkins <gjperkins2@comcast.net>
Sent: Wednesday, April 15, 2026 12:14 PM
To: Stacy Westhoff
Subject: 4/16 Mtg - Cobblecrest Properties LLC Variance Request (New Driveway Entrance) – Concerns

Follow Up Flag: Follow up
Flag Status: Flagged

You don't often get email from gjperkins2@comcast.net. Learn why this is important

Dear Commissioners:

We have concerns with both the bluff erosion risk and position of Cobblecrest's current variance request to move their east access to Clearwater Point Road.



We have property at 23063 Clearwater Point Road and drive through this portion of the road to get to our property. We have had our property for 25 years.

Concerns

1. Until I saw photos of the area I hadn't appreciated how far the proposed driveway went into the bluff, most importantly how close it goes to the steep section of the bluff. Also, from the photos one can see the significant elevation drop in the middle part of the new driveway. I'd look to the experts to provide their opinion on the environmental risk to the variance for this proposed driveway. However, if very mature trees with extensive root systems and vegetation are removed from this steep section of the bluff the risk of significant soil erosion off the bluff (and onto the road) seems likely.

2. I understand Bay Lake Township Board at their April 14 unanimously recommended not approving this requested variance. I view them as the experienced party on the safe and proper positioning of driveway accesses, in part given they are responsible for the safety of the road and control the adjoining right-of-way property. I concur with the concerns they expressed in providing their opinion on this portion of the variance request.

I would hope in these areas the experts could find another alternative to provide a safe and environmentally logical approach to the needs of the Cobblestone Property owners.

Respectfully,
Gary & Kirstin Perkins
23063 Clearwater Point Rd

RECEIVED
By Stacy Westhoff at 12:52 pm, Apr 15, 2026

Stacy Westhoff

From: Lindemann, Steve R. <steve.lindemann@stinson.com>
Sent: Wednesday, April 15, 2026 12:03 PM
To: Stacy Westhoff
Cc: Chris Pence; Nicholette Dunlap
Subject: Lindemann Opposition to Cobblecrest Properties Request for Variance and Preliminary Plat Approval
Attachments: Lindemann Letter to Planning Commission Opposing Cobblecrest Properties Request for Variance.pdf; Exhibits.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Attached please find a letter and exhibits that I am submitting on behalf of my family in opposition to the Application of Cobblecrest Properties for variances and for preliminary plat approval. I attended the Bay Lake Township Board meeting last night, at which the Township recommended that the applications be denied. I had hoped to receive the written recommendation so that I could submit it with my letter, but I have not yet received it. I assume that the Township will submit that recommendation directly to the County.

Please confirm receipt of this submission, as the photographs that are included in the exhibits make the attachments quite large. I will bring some hard copies of the exhibits to the meeting as well.

Thank you.

Steve Lindemann
Steven R. Lindemann
Partner
Pronouns: He/Him

STINSON LLP
50 South Sixth Street, Suite 2600
Minneapolis, MN 55402
Direct: 612.335.1724 \ Mobile: 612.220.5507 \ Bio

Assistant: MPL.LSSTeam1@stinson.com \ 612.335.1874

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STINSON

Steven R. Lindemann
PARTNER
DIRECT: 612.335.1724
OFFICE: 612.335.1500
steve.lindemann@stinson.com

April 15, 2026

By Electronic Mail

Crow Wing County Planning Commission
322 Laurel Street Suite 15
Brainerd, MN 56401
pcboa@crowwing.gov

Re: Objection to Application of Cobblecrest Properties LLC for Variance and for Preliminary Plat Approval

Dear Commission Members:

I am writing to oppose the renewed application of Cobblecrest Properties LLC for variances and for preliminary plat approval for subdivision of their property because installing a new driveway onto Clearwater Point Road in the location requested will pose serious safety and environmental hazards. This is the third time that the Cobblecrest Properties application has come before this commission for approval. Twice before, after facing strong opposition, Cobblecrest Properties withdrew their application and revised their approach. This time, the revised proposed driveway on the east side of the property, which the applicants argue would solve all of the problems, is no better and in certain respects is worse. The new proposed driveway would violate applicable standards for driveway entrances onto a roadway in Crow Wing County and Bay Lake Township and would create an environmental hazard by requiring substantial excavation in a sensitive bluff impact zone. As is evident from the photos submitted with this opposition, the applicant's assertion that the environmental impact would be minimal is demonstrably false. In short, Cobblecrest Properties has not met its burden to show that the variances sought are justified. As a result, both the application for variances, and the application for preliminary plat approval, which necessarily depends on the variances, should be denied.

Factual Background

My siblings and I own the property next door to the property owned by Cobblecrest Properties on Clearwater Lake. Our family has owned the property for over 40 years. When Cobblecrest Properties previously applied for approval of a new subdivision, I wrote to the Planning Commission on January 14, notifying the Commission that Cobblecrest Properties had failed to disclose that one of its existing driveways, which was critical to approval of the proposed subdivision, crossed our property without an easement. As a result, the subdivision, as proposed, could not be approved. I requested that the application be tabled so that the parties could discuss putting an easement in place that would allow legal access over the existing driveway. Shortly after I submitted my letter, Cobblecrest Properties withdrew its application.

After the original application was withdrawn, I reached out to representatives of Cobblecrest Properties to discuss the possibility of granting a permanent easement for the existing driveway. The representatives told me that Cobblecrest Properties would make an offer that my family could consider. Unfortunately, to my family's dismay, we received an extremely low offer of compensation for a permanent, unlimited easement. We made a counteroffer, requesting assurances that use of the driveway would not substantially change or increase and that those limitations be reflected in the easement. Thereafter, Cobblecrest Properties unilaterally broke off negotiations and never made another proposal. Cobblecrest Properties clearly wants free rein to do whatever it wants to do in order to maximize the value of its property for a sale, regardless of the impact on the environment and public safety. They told me that they would explore other options that did not require an easement over our property.

I expected that the Cobblecrest Properties owners would grant proposed Lot 1 of the Cobblecrest subdivision an access easement over proposed Lot 2. Essentially, this would involve the owners of Cobblecrest Properties granting an easement from one side of their property to the other, following the existing driveway. This would have allowed legal access to both lots from the existing driveway that enters Lot 2 from Clearwater Point Road and runs across the top of the ridge west to east across their property. See Ex. 1 (preliminary plat map with orange-shaded existing driveway) That option would not require any further negotiation or compensation to my family. Nor would it require any construction or any variances.

To my surprise, the applicant instead proposed a brand new driveway that would enter onto Clearwater Point Road from the east side of proposed Lot 1 of the subdivision. The new proposed driveway would have entered the roadway onto a steeply sloped, curving portion of the road, creating a blind entrance that would not be visible to anyone rounding the curve. Numerous neighbors objected to the new driveway, emphasizing safety and environmental concerns. I also wrote to the Planning Commission on March 16, opposing the request for variances. The Bay Lake Township Board, which has jurisdiction over Clearwater Point Road, shared the same concerns and recommended disapproval of the variances requested. The Board specifically stated:

> We are recommending denial for the dirt moving in the bluff impact zone as it is extremely excessive in relation to the ordinance. We are also recommending denial of the new driveway which is also in the bluff impact zone and does not meet the 30 feet setback.
>
> * * *
>
> As the road authority for Clearwater Pt. Rd. we are asking not to have the driveway in this location as it would create a more dangerous situation for pedestrians and others who use the road.

Ex. 2 (March 12, 2026, Township Recommendation).

Just days before the March 19 Planning Commission meeting, Cobblecrest Properties submitted a new drawing showing a changed design for the new proposed driveway. At the hearing on March 19, Cobblecrest Properties represented to the Planning Commission that the new design would address the safety and environmental concerns. The drawing depicted a serpentine driveway that curved around the Lindemann property, still cut into the sensitive bluff impact zone (but supposedly not as much) and entered the roadway at the same location as the existing trespassing driveway. Township Board Chair Don Hales, who attended the Planning Commission meeting, spoke up and said that neither he nor anyone else on the Township Board, had seen the new driveway design. He requested time to study it. As a result, the Planning Commission tabled the matter.

Since the Planning Commission meeting, my brother and I visited the site and took photos of the existing conditions. Those photos, which are enclosed with this letter as Ex.3 (Photos 1-11), give a much better understanding of what Cobblecrest Properties is proposing. Contrary to the applicant's assertion, the new driveway configuration does not eliminate safety and environmental concerns. In fact, the new proposed driveway is even worse than the prior version.

The variances required to approve the new driveway entrance, due to the driveway's proximity to a sensitive bluff impact zone, should be denied for three independent reasons: (1) the new proposed driveway would create an unsafe condition for drivers and pedestrians on Clearwater Point Road, as well as any emergency vehicles that would need to navigate the serpentine driveway (2) the new driveway design would create significant environmental impacts to the area surrounding the proposed new driveway, and (3) the new driveway is completely unnecessary for the applicant to be able to use the property or to subdivide it. The sole reason for the applicant to request a variance to build a new driveway is to obtain an economic benefit for the applicant to the detriment of the surrounding community. That is not a valid rationale for granting a variance.

Standard of Review

To obtain a variance, an applicant bears the burden of proving three things:

1. Enforcement of the County ordinances, as applied to the property, would cause the landowner "practical difficulties" in using the property.

2. The variance would be in harmony with the general purposes and intent of the ordinance.

3. The terms of the variance are consistent with the comprehensive plan.

Minn. Stat. section 462.357. None of those criteria are met here.

The new proposed driveway would create an unsafe condition.

A visit to the site and a careful review of the drawing submitted by the applicant show that the entrance to the new driveway, just like the existing driveway, would be in the midst of an up-

sloping blind curve in the roadway. Seven families have homes on the Clearwater Point Road cul de sac that is just beyond the east entrance to the subject property. On the weekends, many people walk their dogs, often with their grandchildren, or jog on the road, going from the cul de sac and following Clearwater Point Road to Highway 8 and back. The upsloping blind curve obscures the entrance to the new driveway and would create a significant hazard to those pedestrians and to the oncoming vehicles driving up the hill and around the bend.

Crow Wing County has a policy governing driveway entrance/access under these circumstances. It requires entrance permit applications for new driveways and provides criteria for evaluating them. The policy states:

> Driveway entrance access located on roads with horizontal and vertical curves **must** be within sight distance requirements for oncoming traffic in both directions as determined by the CWC Highway Department. (emphasis added)

See Ex. 4 (Crow Wing County Driveway Policy). The obvious reason for this requirement is safety. Accidents are much more likely to happen when driveway entrances are obscured by steep slopes and curves. This proposed driveway location has both.

I spoke to Brian Berent, the CWC Highway Department Maintenance Manager, and Robert Hall, the Assistant County Engineer, about this issue. Both of them told me that Crow Wing County requires a minimum sight distance of 350 feet in both directions for new driveway entrances on county roads. The new proposed driveway entrance does not even come close to meeting that requirement. At most, the entrance would be visible from approximately 100 feet to vehicles and pedestrians coming up and around the curve.

MN DoT has issued a report called Best Practices for Rural Entrance Policy. This report specifically addresses this issue. It provides:

> **Ensure adequate sight distance at entrances.**
>
> [C]urves and changes in elevation/grade should not obscure sight lines at entrances. Sufficient sight distance is needed to view potential approaching vehicles that may conflict with the movement at the intersection, such that the movement can be safely made.

Best Practices for Rural Entrance Policy, Final Report 2002-31, Minnesota Department of Transportation, p. 12. Ex. 5. Clearly, the dangers associated with inadequate sight distance, as is the case with the proposed driveway, have been well understood for many years. The applicant may argue that the new proposed driveway entrance would be no more dangerous than the existing trespassing driveway entrance, but that is beside the point. The existing driveway entrance is in a dangerous location, and it never should have been allowed. Formal notice has been given to Cobblecrest Properties that going forward they no longer have permission to use the trespassing driveway, so they must use the western entrance for any access to the property. If

any subdivision were to occur, access to the Cobblecrest Properties proposed lots 1 and 2 should be consolidated to come from the existing driveway on the west side of Lot 2. This would be consistent with best practices, as shown in Figure 14 of Ex. 5. This point is addressed in more detail in the last section of this letter.

The proposed configuration of the new driveway would be very difficult for emergency vehicles, such as fire trucks, to access the property from the township road. A fire truck or other large vehicle would have to drive up a curving road, make a sharp right turn onto the new driveway, go around a hairpin turn to the left, followed by a sharp right turn, all to avoid encroaching on the Lindemann property or colliding with the existing building on the Cobblecrest property. The serpentine route is nonsensical. The conditions would be even worse in the wintertime, when high snowbanks on both sides of the driveway would prevent the front and rear portions of a large vehicle from swinging wider than the driveway. What might look viable on paper simply is not workable under real-world conditions.

If emergency vehicles cannot navigate the new driveway to proposed Cobblecrest Lot 1, it would create a significant hazard to the homes on the cul de sac and the people who live there, all of whom have no way out in the event of an out-of-control fire except by driving on Clearwater Point Road. Undoubtedly, this would also be a concern of the local fire department.

All of this caused the Bay Lake Township Board to unanimously recommend disapproval of the requested variances. At their April 14 meeting, the Board determined that the new proposed driveway would create a serious risk of an earth slide, which Chair Don Hales stated has occurred in this location previously. The Board also expressed concerns about the ability of emergency vehicles to access the property. Clearly, the Township Board, which has jurisdiction over Clearwater Point Road, would never approve a new driveway with the applicant's proposed configuration. Without that approval, proposed Lot 1 would not have legal access from a public road, and the subdivision could not be approved. This Planning Commission should give deference to the Bay Lake Township Board and should deny the applications of Cobblecrest Properties in their entirety.

The new proposed driveway, and the excavation of the bluff impact zone necessary to build it, creates an environmental hazard.

The second reason for denying the proposed variance is that it will create, or more accurately exacerbate, an environmental hazard caused by the existing driveway. After heavy rains, the runoff from the existing asphalt driveway on the east side of the Cobblecrest property erodes the embankment and ditch alongside the inner curve of Clearwater Point Road. Silt, sand and other debris wash down to the bottom of the slope and accumulate in the ditch and onto the roadway. Bay Lake Township struggles to keep the roadway clear of the material covering the road, and residents often shovel sand and silt off the road after heavy rains to supplement the Township's efforts. In addition, the pavement in the area cracks and fails prematurely due to the water and debris that flow down the road from the Cobblecrest property.

The proposed new driveway would make things worse. The applicants are asking for a variance to build the driveway in a manner that encroaches into the bluff impact zone. They also seek a variance to excavate 65 cubic yards of material from that sensitive area to do so. That volume is the equivalent of 7 large dump trucks. At the Township Board meeting on April 14, a representative of Cobblecrest Properties tried to change these figures on the fly, suggesting that the amount of material they would need to excavate would be far less than requested in the variance. This overly optimistic speculation is not properly part of the record. It is based on yet another version of the new driveway drawing that was not submitted to the Planning Commission until April 10. That drawing was not included in the agenda packet and was not provided to me until April 13. Consistent with the requirements of due process, facts different from those timely submitted with the application may not be considered by the Planning Commission without starting the review process anew.

If the Planning Commission chooses to consider the late-submitted drawing, it should be noted that it is both inaccurate and misleading. While the drawing still says “driveway to be removed” by the trespassing segment of the driveway, the applicant’s revised calculations of excavated material have been reduced because they are based on **not** removing that driveway. This significantly understates the environmental impact of the new serpentine driveway because the area of impervious asphalt driveway material would more than double in size due to this change. That will greatly increase the volume of runoff in this steeply sloped, sensitive area. The applicant makes no mention of this change, and the Commission is left with a misleading impression of what is being proposed.

There can be no doubt that excavation for the new driveway would cause major erosion, not just during construction, but for years to come. Once a bluff starts eroding, it is very difficult to stop the erosion. That is precisely why the Crow Wing Land Use Ordinance does not allow building driveways, removing vegetation or removing large amounts of dirt in bluff impact zones. It was also a core concern of Bay Lake Township, which reviewed the photos that I submitted and determined that the driveway should not be built in that area.

Cobblecrest Properties contends that the new proposed serpentine driveway is better than the previously proposed driveway because the amount of material to be excavated would be less than with the prior design. This assertion is also highly misleading. In order to build the serpentine driveway, a contractor would need to clear-cut and regrade the area within the curve of the new driveway. As can be seen from the drawing and the photos, this would create a slight depression where a tree-covered hill now exists. Decades of tree growth and underbrush would be stripped away. Given the sandy, cobblestone-filled soil in the area, it would be extremely difficult to regrow that protective layer of vegetation. A drawing on paper does not show this, but the photos leave no doubt that this area will have to be altered dramatically.

Moreover, it simply is not credible that a contractor could excavate for, and install, the stable base needed to construct a durable driveway mere inches from the precipice of a steep slope.

Instead, the contractor would need to excavate far more material and then build a retaining wall to prevent everything from sliding down the hill.

The applicant's drawing does not disclose this fact, and it ignores any portion of the bluff impact zone that is outside of the Cobblecrest property boundaries. The bluff and its impact zone do not stop at the boundary line of the property, nor does the new proposed driveway, which would be constructed mostly in the road right of way itself. It is highly misleading for the applicant to suggest that the new driveway would not create a hazard to the environment. In short, the proposed new driveway would be a disaster waiting to happen.

It should also be noted that the Cobblecrest property includes a substantial area of sensitive wetlands. Most of those wetlands are immediately adjacent to, and down the slope from, the curve in Clearwater Point Road. That means the silt, sand and debris that run from the Cobblecrest driveway flow to the wetland. If the new driveway were built, it would create a large area of blacktop that would direct water, silt, sand and debris into a small, shallow retention pond that has no drainage. That water would regularly overtop the dam-like serpentine driveway and erode the hill below. It would also create a serious risk for undermining the driveway itself.

Finally, the new proposed driveway is designed to run in the road right of way, parallel to Clearwater Point Road, for approximately fifty feet before reaching the existing driveway entrance to the roadway. That stretch of the proposed driveway would cut off a portion of the Lindemann property from the roadway. More importantly, it would essentially take for private use the road right of way that the Township needs to maintain the road. That would create an extremely bad precedent and would encourage other property owners to do the same, resulting in major headaches for the Township in safely and efficiently maintaining its roads.

In summary, the new proposed driveway is a bad idea that, if approved, would create or exacerbate significant safety and environmental problems.

The new proposed driveway is completely unnecessary and would contradict the principles set forth in MN DOT's Best Practices for Rural Entrance Policy.

If the new proposed driveway and the variances necessary to create it are not allowed, Cobblecrest Properties can grant a permanent easement for Lot 1 to use the existing driveway across Lot 2. This solution is completely within the applicant's control, would require no variance and no expense to construct a new driveway. It would also improve, rather than exacerbate safety and environmental conditions. This option is also consistent with MN DOT's Best Practices for Rural Entrances Policy, which states on p. 16:

> Providing joint access and/or providing connections between individual developments, reduces conflicts and the number of local trips on the main roadway through interparcel circulation. Additional benefits include more efficient mail delivery, garbage service and emergency response. In addition,

> agencies should encourage landowners located along rural roads with larger lots to develop turnarounds on their property.
>
> * * *
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> Another tool that can be used to minimize the number of access points along a roadway is relocating existing access. If a parcel is subdivided in the future, agencies should encourage developers and/or landowners to provide access by relocating an unused access point.

Ex. 5. Consolidation of the existing entrances to the Cobblestone property from two driveways to one driveway that enters the property from a flat, straight roadway and extends to both properties would serve the objectives stated above. Proposed Lot 1 already includes a turnaround circle, so there would be no need to modify anything. If there are any concerns about adequate access through the west entrance, then Cobblecrest Properties would need to address and remedy those issues before a subdivision could be approved. Otherwise, proposed Lot 2 would be deficient on its own. Access to each lot must be both legal and adequate, and both of those requirements are within the applicant's control.

Cobblestone Properties may argue that they don't want to create a driveway easement from Lot 2 to Lot 1 because it would reduce the market value of the two lots. That is not the type of "practical difficulties" that an applicant must prove in order to obtain a variance. Instead, the condition is solely an economic factor, created by the applicant's desire to subdivide the property, and that alone cannot justify a variance. It is not the role of the Planning Commission to facilitate Cobblecrest's goal of maximizing its profit on the sale of its property. Instead, variances are to be granted only if reasonable use of the property is prevented by practical difficulties. That is not the case here.

Even if economic factors were considered, the Cobblecrest owners are not a sympathetic party. Before any application for subdividing the property was filed, they listed the property for sale at a price of $2.2 million. They now want to press forward with a subdivision that will bring them hundreds of thousands more in profit, while burdening their neighbors with safety and environmental hazards. That is not a good basis for a variance.

The residents of Bay Lake Township who live on Clearwater Point Road, and those who own homes elsewhere on Clearwater Lake, deserve better than that. The applicant has not met its burden of proving entitlement to the variances sought. The proposed driveway and associated variances are not consistent with the Crow Wing County Land Use Ordinance or the County's Comprehensive Plan. Without the variances, and without permanent easements on record that provide legal access to proposed Lot 1, the application for a subdivision also must be denied.

I intend to attend the hearing on April 16. I look forward to making some brief remarks and answering any questions that you have.

Thank you for your consideration.

Sincerely,



Steven R. Lindemann

SRL:mb
Enclosures

Exhibit Index

1. Applicant's Proposed Preliminary Plat Drawing with existing driveway across Lots 1 and 2 highlighted in orange.

2. 3/12/2026 Bay Lake Township Board Recommendation to Deny Variance Request

3. Site Photographs

    1) From corner of property looking North to outer curve of proposed driveway.
    2) At outer curve of proposed driveway looking North down steep slope to road below.
    3) At outer curve looking West.
    4) Beginning of proposed new driveway loop, which would run North alongside existing building.
    5) Looking Northwest across existing driveway that trespassed onto Lindemann property.
    6) Looking North across existing driveway to Lindemann property corner.
    7) Looking West from Clearwater Point Road up and over hill that would be excavated for new proposed driveway. Person in photo is at Lindemann property corner.
    8) Looking South from Clearwater Point Road up steep slope to outermost curve of proposed driveway.
    9) Looking East from Clearwater Point Road up steep slope to outermost curve of proposed driveway.
    10) Looking South from Lindemann property corner and across trespassing driveway. Person in photo is on North to South property line.
    11) Closer photo showing North to South property line.

4. Crow Wing County Driveway Policy

5. Excerpts from Minnesota Department of Transportation Best Practices for Rural Entrance Policy

6. 4/14/2026 Bay Lake Township Board Recommendation to Deny Variance Request (to be added upon receipt)

WIDSETH
7804 INDUSTRIAL PARK ROAD
BAXTER, MN.

AREA	15.9± ACRES
ZONING	SHORELAND ZONING DISTRICT
DATE	APRIL 07, 2026

BEING 5 FEET IN WIDTH AND ADJOINING ALL INTERIOR SIDE LOT LINES AND 10 FEET IN WIDTH AND ADJOINING ALL ROAD LINES UNLESS OTHERWISE SHOWN.

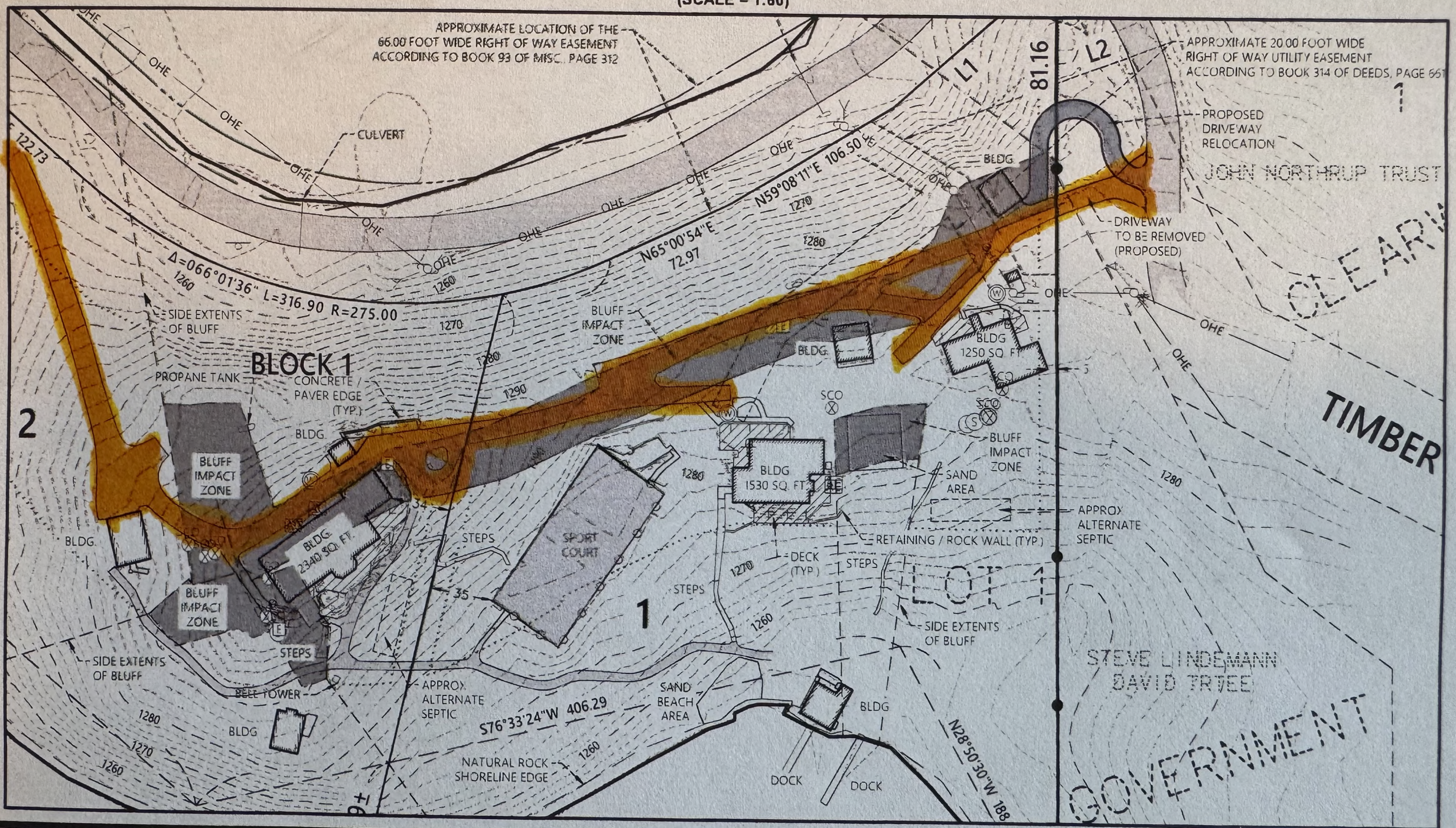
CLEANOUT

MANHOLE

BLUFF IMPACT ZONE (30 FEET FROM TOP)

BUILDING DETAIL AREA

(SCALE = 1:60)



2'31"E
6'41"E
2'50"E

Exhibit 1

RECEIVED
By Stacy Westhoff at 11:07 am, Mar 13, 202

TOWNSHIP RECOMMENDATION FORM

On March 12, 2026, the Town Board of Bay Lake discussed the Variance Request and Preliminary Plat for Cobblecrest Properties, LLC

Variance Request For:

- 15 cubic yards of dirt moving within the bluff impact zone where no dirt moving is allowed
- The placement of a driveway located within a bluff impact zone where the driveway is required to meet the 30 foot bluff setback.

Preliminary Plat:

- "Clearwater Point Second Addition" with 4 total lots.

After reviewing the Request, the Town Board:

__ **RECOMMENDS APPROVAL:**

X **RECOMMENDS DISAPPROVAL:**

This was a unamious vote of all three supervisors. Two of them voted by Zoom.

With the following Reasons:

We are recommending denial for the dirt moving in the bluff impact zone as it is extremely excessive in relation to the ordinance. We are also recommending denial of the new driveway which is also in the bluff impact zone and does not meet the 30 feet setback. The neighbor has offered an easement to continue using the existing driveway. As the road authority for Clearwater Pt. Rd. we are asking not to have the driveway in this location as it would create a more dangerous situation for pedestrians and others who use the road.

___ **HAS NO RECOMMENDATION, BUT WILL FORWARD THE REQUEST TO THE PLANNING COMMISSION OR BOARD OF ADJUSTMENT**

SIGNED:

Township Clerk

Supervisor

Supervisor

Supervisor

CAROL PUNDT
Clerk, Otter Tail County, Minnesota
[illegible] ex officio notary public
[illegible] terminate.







4

160

4


PRIVATE PROPERTY
HUNTING, SHOOTING, FISHING
TRAPPING OR TRESPASSING
FOR ANY PURPOSE IS
STRICTLY FORBIDDEN
ALL OFFENDERS WILL BE PROSECUTED
TO THE FULL EXTENT OF THE LAW










Range
546-5200


Range
DISPOSAL SERVICE
546-5200

CROW WING COUNTY
POLICY
DRIVEWAY/ENTRANCE ACCESS TO ROADS UNDER COUNTY JURISDICTION
County Board Approved: July 8, 2008
Revised: April 23, 2019

BACKGROUND

The Crow Wing County (CWC) Board of Commissioners adopted the policy for driveway/entrance access onto roads where CWC is the road authority.

Minnesota State Statute designates CWC as the road authority of publically platted and Board approved county maintained roads.

CWC has acquired controlled rights of access on many sections of the highway system. Anyone contemplating acquisition or development of property adjacent to a CWC maintained road that will require access to a road should determine what limitations are in force before proceeding with plans.

PURPOSE

This policy has been prepared in the interest of public safety, efficient maintenance operations and as a guide for public agencies and private owners in preparing plans and applications for driveway/entrance access to roads under CWC's jurisdiction. Reviewing, inspecting and authorizing driveway/entrance access connections will be on a case-by-case basis, determined by the CWC Highway Department.

This policy does not cover applications for new roadway connections, certain commercial accesses or specialty accesses. Some accesses may require additional information and requirements. CWC's Subdivision Ordinance, www.crowwing.us/DocumentView.aspx?DID=1486 and CWC's Access Management for Roads Under County Jurisdiction provides better information about these particular cases and their requirements.

CROW WING COUNTY MINNESOTA

OVERVIEW OF PROCESS

- All driveway/entrance accesses within a CWC maintained road right of way require an Entrance Permit Application, including temporary accesses. Parties wishing to construct a driveway/entrance access within a County maintained road right of way must complete an Entrance Permit Application
    - Applications are at https://www.crowwing.us/157/Permits-Fees-Services
- Once an application is received, the Highway Department will contact the applicant within five (5) business days.
- The Highway Department may require an onsite meeting to determine eligibility, location of the driveway/approach access and determine if a culvert and/or special provisions are required.
- If a culvert is not required, notification to the applicant will take place and they may begin construction. If a culvert is required, the applicant will receive notice. Once the applicant receives notice, it is the applicant's responsibility to notify the Highway Department of when they would like delivery of the culvert.
- Once approved, construction may begin. All required permits and all related costs are the responsibility of the owner(s).
- Delivery of the culvert will take place within two (2) business days of the applicant notifying the Highway Department of the anticipated construction date.
- CWC Highway Department personnel will place the culvert in the ditch bottom, centered on the marking device set by the applicant. Once the culvert is in place, the applicant is responsible for the culvert.
- After the driveway/entrance access's construction is complete, and establishment of substantial vegetation is present (as defined in the construction section of this policy), the applicant shall notify the CWC Highway Department that the work is complete and ready for final inspection.
- The Highway Department will perform an onsite inspection within five (5) business days verifying the following:

✓ Entrance is in the proper location
✓ Culvert is not damaged and is installed correctly
✓ Driving surface has a minimum of 3" of gravel
✓ Slopes are 4 feet horizontal to 1 foot of rise
✓ Slopes have a minimum 4" of topsoil
✓ All disturbed areas have 4" of vegetation established
✓ No washouts or hazards present
✓ Entrance meets the road at a 90 degree angle and slopes away from the road for 15'

If the above criteria are completed satisfactorily, the deposit will be released according to the current CWC Fee schedule.

Applicants have one year from issuance of the permit to complete the work according to CWC specifications. If after one year the work is not completed to specifications, CWC may make repairs or remove the approach. At this time, the deposit will be forfeited and an additional assessment for completing the work may take place.

REQUIREMENTS PRIOR TO APPROVAL

- The Engineer reserves the right to approve or deny any driveway/entrance access request on a case-by-case basis; based on a hardship, lot size, public safety, environmental concern etc.
- An Entrance Permit Application to construct a driveway/entrance access along CWC Roads shall commence by the applicant furnishing the CWC Highway Department with a completed driveway/entrance access permit form.
- Applicants are encouraged to complete and submit the Entrance Permit Application for Permit to Construct Driveway/Entrance access online using the CWC Highway Department's website, https://www.crowwing.us/157/Permits-Fees-Services. Applicants may also print the permit, hand deliver or mail it to the Highway Department at 16589 CR 142 Brainerd, MN 56401, with the deposit.
- Work under this application shall not commence until approval of the application and the issuance of a permit is complete.
- The required deposit amount is on the application form and is required at the time of the application's submittal.
- A sketch or GIS map must accompany the permit.
- If a lot split is pending, submitting a recorded document with the permit is required.
- All culverts placed within the CWC Road right of ways must receive approval from the CWC Highway Department before installation.
- A driveway/entrance access permit may be required if a property changes use and the change results in significant traffic count increases, safety concerns and/or relocation of the driveway/entrance and/or modification.
- CWC Highway Department authorization is required for modifications to a driveway/entrance access prior to, during and/or after construction if the finished access is different from what was approved on the driveway/entrance permit.

GENERAL DRIVEWAY/ENTRANCE CONSTRUCTION DESIGN GUIDELINES

It is the applicant's responsibility to verify that the chosen location is in fact on their property. The County's approval of an access location is by no means an authorization to utilize another individual's property for access.

If intentionally utilizing another landowner's property, providing a recorded easement and/or Certificate of Survey showing such approval is required with the Entrance Permit Application for Permit to Construct a Driveway/Entrance Access.

APPROVAL CONSIDERATION GUIDELINES

- A driveway/entrance access permit is not required for surface treatments such as adding gravel or paving without widening.
- The CWC Highway Department will supply and replace existing county approved culverts that fail because of normal use and life expectancy, at no cost to property owner.
- If a property owner wishes to add an access, widen an existing access or lengthen an existing culvert, an Entrance Permit Application for Permit to Construct a Driveway/Entrance Access is required.
- If a property abuts two or more roads, access shall be from the lesser traveled publically platted/maintained road.
- Aligning driveway/entrance accesses with entrances on opposing sides of an undivided roadway shall take place where possible.
- The driveway/entrance access placement cannot be closer than 325 feet from the centerline of an intersecting road, highway or railroad, or closer than 125 feet (preferably 325 feet) to another driveway. Please see Crow Wing County Access Management Policy for greater detail of requirements.
- Driveway/entrance access located on roads with horizontal and vertical curves must be within the sight distance requirements for oncoming traffic in both directions as determined by the CWC Highway Department.
- All driveway/entrance accesses shall be at right angles to the highway for a distance of at least 15 feet from the shoulder line of the road.
- Residential driveway/entrance accesses shall not exceed 20 feet in width. Commercial driveway/entrances accesses shall not exceed 32 feet in width.
- Allowing a maximum of one driveway/entrance access per platted lot, 40-acre tract, or parcel will be the standard, unless specific criteria detailed in the Access Management Policy are met.
- In cases where it is practical, multiple lots shall share the same driveway/entrance access point at the lot line in the road right of way, when there is insufficient sight distance, safety concerns, insuffient storm water/snow capacity storage, inadequate driveway/entrance access spacing distance between accesses, etc.

NO NET GAIN ACCESSES

Parcels or lots with existing accesses have the option to move or remove an existing approach as long as it meets the criteria set forth in this policy and has approval from CWC. The intent is to allow property owners flexibility to move or reconfigure their entrance access, without increasing the number of access points on CWC roadways.

REQUIREMENTS AFTER THE APPLICATION'S APPROVAL: CONSTRUCTION

- Once delivery of the culvert takes place, the applicant must commence dirt work and cover the culvert with substantial amounts of dirt, covering the culvert and ensuring safe slopes for ATVs and snowmobiles as soon as possible.
- Applicants shall use flags and other traffic control devices and follow all procedures to protect traffic and people at all times in accordance with the Minnesota Manual on Uniform Traffic Control Devices when working in the road right of way.
- The area on the road right of way other than that of the driveway itself will normally be in the form of a ditch. In urban areas (curb & gutter), the applicant is responsible for any removal and installation of conforming surmountable, drive over curb and curb ends. All curbs must meet and be constructed in accordance with CWC standards and specifications. Wedges installed along the curb's gutter can only be temporary for thirty days. Installation of a surmountable, drive over curb is required for new driveway/entrances accesses with existing curb lines. On urban roadways (concrete curb & gutter), any proposed driveway/entrance access shall be located to avoid drainage structure (catch basin, manholes, etc.) locations.
- Driveway/entrance accesses shall drain away from the road's shoulder for a distance of 15 feet with a fall of six (6) inches when possible.
- The driveway/entrance access's side slopes (top of the driveway/entrance to the ditch bottom) shall have a minimum slope no steeper than one foot vertically to four feet horizontally (1:4).
- The finished side slopes shall have a minimum of four (4) inches of topsoil, with a seed mixture meeting specifications defined by CWC.
- Erosion control must be used and remain in place until substantial vegetation is established. Substantial vegetation is vegetation that completely covers all disturbed areas within the road right of way, excluding the driving surface. Substantial vegetation is dense vegetation that stands four (4) inches tall and will reasonably withstand washouts caused by rain or snow runoff.
- The surface of the driveway must contain at least three (3) inches of compacted Class #5 or #1 gravel base. Recycled asphalt, recycled concrete, iron ore tailings and granite chip products are acceptable. Finished surfaces of asphalt or concrete are acceptable as long as they have a minimum of three (3) inches of gravel base under them.
- No foreign material, such as dirt, gravel, bituminous, wood chips rocks, etc. shall be left or deposited on the road during construction of driveway or installation of drainage facilities.

- Debris removal and roadside cleaning must take place each day after work is complete. If vehicle tracking of material onto the roadway from the approach or site occurs, a rock or woodchip top layer is required to reduce tracking onto the roadway.
- Completion of any remedial work after inspection-by the CWC Highway Department must take place immediately or the CWC Highway Department will correct the issue and deduct the costs incurred from the applicant's deposit. If the cost is greater than the deposit, the applicant is subject to direct invoicing for the work and/or other means.
- Applicants must obtain written permission from the CWC Highway Department before making any changes or alterations to driveway/entrance accesses if different from what was specified initially in the application.

ADDITIONAL INFORMATION

- All deposits and fees will follow the most current CWC Fee Schedule.
- The initial site inspection, prior to driveway/entrance application's approval will be considered incidental to the initiation of the driveway/entrance access permit process.
- Substantial completion of all access work must take place within one year from the application's date. If the project is not complete; meaning it is unfinished, conditions set with the permit's issuance are not met, it does not meet standards set by this policy and/or the CWC Access Management Policy within one year, forfeiture of the deposit-takes place, the permit becomes void and the driveway/entrance access becomes non-compliant.
    - Removal of non-compliant driveway/entrances accesses may take place if deemed a hazard by CWC. If the cost is greater than the deposit, the applicant is subject to direct invoicing for the work and/or other means by CWC.

FINAL APPROVAL/RETURN OF DEPOSIT

Applicants must notify the CWC Highway Department that the driveway/entrance access is ready for final inspection. CWC staff will inspect the driveway/entrance access within five (5)-business days. If the access is deemed satisfactorily complete, return of the deposit, to the property owner at the time of completion will take place. Inspections will not take place during the winter/snow season.

Return of the driveway/entrance access's deposit will be to the property owner at the time of substantial completion, not necessarily the original applicant if the property changes ownership.

CROW WING COUNTY MINNESOTA

ADDITIONAL CONSIDERATIONS

The County Highway Department can authorize a permit when encountering certain hardships such as water crossings, landlocked property, temporary access, safety concerns, etc. Authorizing these requests is on a case-by-case basis and can take extra time to determine the appropriate solution. In addition, criteria for authorizing an additional access may be based on the considerations below:

- Average daily traffic counts;
- System continuity;
- Dead end roads/roads with no outlet;
- Adequacy of storm water/snow storage needs;
- Public safety;
- Lot/parcel configuration;
- Availability of accesses;
- Alternative accesses;
- Internal continuity and operation;
- Environmental & site specific situations;
- Access to agricultural lands for limited agricultural use only. These accesses are for limited, intermittent farm use implements and not frequent ingress and egress.
- Any and all others circumstances may be considerations.

The process to apply for an additional approach will follow the guidelines of the Entrance Permit Application for Permit to Construct a Driveway/Entrance.

APPLICANT APPEAL DECISION

An applicant whose access plan is not approved, or is approved with conditions not agreed to by the applicant, shall have 30 calendar days to appeal the decision in writing to the CWC Highway Engineer, stating the reasons for which an appeal should be approved.

SPECIAL CIRCUMSTANCES

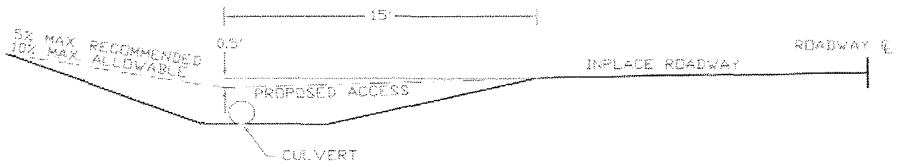
The local agency may impose conditions on the approval of any appeal as necessary to effect compliance with the spirit and intent of this policy.

CROW WING COUNTY
MINNESOTA

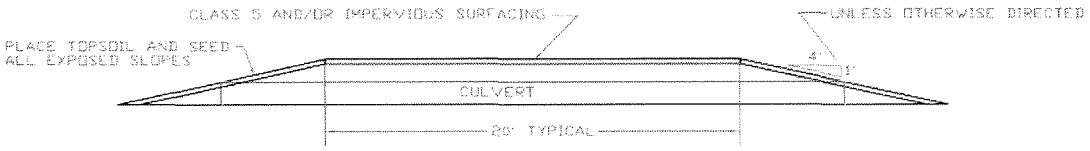
ATTACHMENT A

CROW WING COUNTY HIGHWAY DEPARTMENT
ENTRANCE CONSTRUCTION INFORMATION

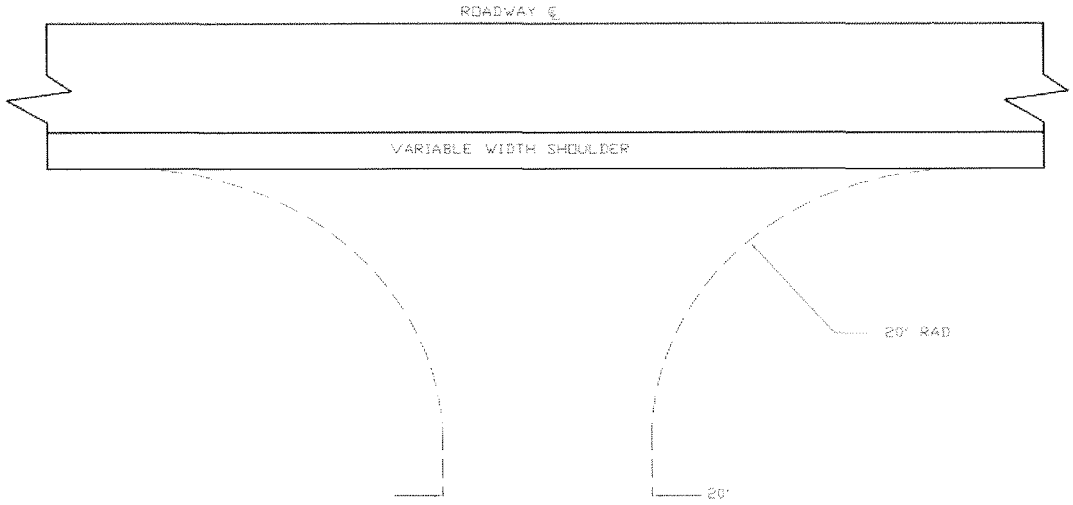
COUNTY JURISDICTION ROADWAY CROSS-SECTION



ENTRANCE CROSS-SECTION



PLAN VIEW



NOTE: Dependent upon roadway shoulder width, topography and other variables, Crow Wing County may require or allow dimensions different than those shown.

September, 2013

Final Report 2002-31

Research

Best Practices For Rural Entrance Policy

Minnesota Local Road Research Board

Exhibit 5

CHAPTER 3: BEST MANAGEMENT PRACTICES FOR RURAL ACCESS

The Technical Advisory Panel discussed issues related to *rural access* and developed a number of best management practices (BMPs) that agencies should consider for managing access on rural collector and rural local roadways. **It is important that the user keep in mind that these recommendations are, primarily, for rural applications that are not under any capacity constraints or planned urbanization.** Urban or developing areas will likely require additional policies and practices to adequately respond to issues that active development brings.

1. **Establish an access policy.** Agencies should develop a formal access policy (issue access permits) that ensures that when requests for access are made, the agency has processes in place to determine the need and evaluate the use, location, spacing and design characteristics of the requested access points. The policy should have the following elements:
   - Define access guidelines (where and how it applies).
   - Define a process for variances where guidelines cannot be achieved.
   - Establish a process for enforcement.
   - Receive board and/or council approval of access policy.

   If no access policy exists and the local agency is hesitant about developing one, that agency should consider documenting past practices/experiences to help in defining the current informal policy. This may assist in thinking through how access decisions are made and requests are handled.

2. **Encourage coordination during the zoning and platting process.** Agencies should encourage coordination between planning/zoning and highway departments early in the building and access permitting process. Sharing information will allow the departments and elected officials to make better decisions when developers or landowners request new accesses or modifications of an existing access.

3. **Access permits should be given for specific use.** The requirements for a low-level use access may not be as rigorous as requirements for higher use access points (i.e., a farm field entrance versus a gas station access). Therefore, it is recommended that agencies adopt a policy that grants access for a specific use. If this use should change in the future, a new access permit would be required.

4. **Encourage adequate spacing of access points.** There are numerous access spacing guidelines throughout Minnesota and the United States. Most of those policies typically involve categorizing roadways by functional class and traffic volume. This report does not provide any recommendations for access spacing; however, it does provide examples of what others have used and some suggestions of guidelines that are more restrictive versus less restrictive. These are provided in Appendix A.

5. **Protect the functional area of intersections.** Protecting the functional area of intersections allows the motorist to complete their turn or through movement and adequately react to situations downstream from the intersection. Agencies should protect the functional area of intersections in order to separate conflict areas. If access near an intersection is requested, the agency should encourage that the access be placed along the lowest volume approach and located as far from the intersection as possible (Figure 10). Regardless of the design speed, the desired location is outside the turn lane areas (typically 480 to 820 feet from the intersection).

6. **Ensure adequate sight distance at entrances.** Sight lines at access points must be kept free of objects that might interfere with the ability of cross street/entrance drivers to see other vehicles. In addition, curves and the changes in elevation/grade should not obscure sight lines at entrances. Sufficient sight distance is needed to view potential approaching vehicles that may conflict with the movement at the intersection, such that the movement can be safely made (Figure 11).

   As a BMP, access should not be provided where sight distance is inadequate to allow approaching vehicles to come to a stop. In some *extreme* cases, agencies have reluctantly granted access where sight distance is less than the minimums. This situation typically occurs when:
   - No other access alternative is feasible due to topography.
   - The access point serves a *single residence*.

   In these cases, some agencies have required the private party to pay for the installation of a "hidden driveway ahead" warning sign. While a "blind intersection ahead" sign warns motorists of the conditions ahead, it does not ultimately solve the inadequate sight distance issue.

7. **Avoid offset or "dogleg" intersections and entrances.** While tee-intersections are advantageous from a conflict point of view (tee intersections have less conflicts than full-intersections), closely spaced tee-intersections that have a substantial interaction/usage between them would not be considered advantageous due to conflicts between through movements and turning movements. In this case, agencies should encourage aligning access points directly across from other roads or entrances to minimize driver errors and impacts to mainline flow (Figure 12). In areas where offsetting access points cannot be avoided, the access points should be spaced in order to provide a minimum of seven to ten seconds (depending on operating speed) between entrances (see Table A-2 in Appendix A).

Exhibit 5

8. **Encourage development of turn lanes and bypass lanes.** Turn lanes and bypass lanes separate conflicts and provide storage areas for turning traffic, which reduce the potential for rear-end and sideswipe crashes. When contemplating the use of turn lanes and bypass lanes, agencies have generally weighed the potential safety and operating benefits of turn lanes and bypass lanes versus their initial and ongoing maintenance costs. Based on past practices, agencies have promoted right turn lanes on high-speed facilities (where speeds are greater than 40 miles per hour) with future mainline volumes greater than 1,500 Average Daily Traffic (ADT) and where one of the following conditions are met:
   - Access serves more than ten residential units.
   - Access serves retail/industrial area that generates more than 100 right turns per day.

   Right turn lanes allow turning traffic to decelerate and exit the main road safely. If these thresholds are not met for the access point, agencies may consider requiring the developer(s) to strengthen the shoulder to minimize pavement edge break-up and/or shoulder deterioration.

   Left turns can be more disruptive to mainline flow depending on their volume, the volume of opposing mainline traffic and the volume of mainline following traffic. The benefits of left turn lanes are shown in Figure 13. Many local agencies have used the following guidelines for determining the need for left turn lanes:
   - The number of correctable crashes over a three-year period is greater than three, and/or
   - Disruptions to mainline flow are based on mainline speed, through volume, turning volume and opposing volume (see Figures B-5, B-6 and B-7 in Appendix B).

   In addition to the above, agencies should also consider driver expectancy issues. For example, if left turn lanes are present on all public access points throughout a corridor, then new public access points in that corridor should also be considered for turn lanes.

9. **Consider providing shared access or relocating existing access.** Low-growth rural areas most likely are not experiencing much development or parcel subdivisions; however, if some of this activity is occurring, many agencies require shared access or relocation of an existing access to serve the specific land use.

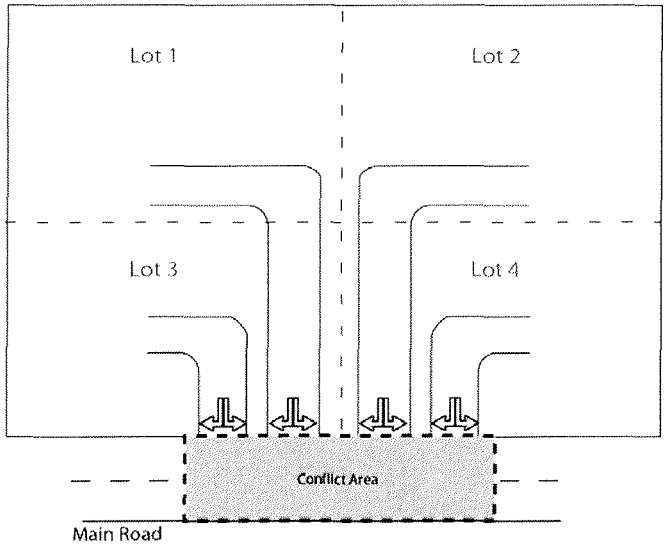
   This BMP may be implemented through the planning and permitting processes. Agencies may consider adopting policies that would reduce the number of non-conforming access points during construction projects or during change-of-use permitting.

   Providing joint access and/or providing connections between individual developments, reduces conflicts and the number of local trips on the main roadway through interparcel circulation (Figure 14). Additional benefits include more efficient mail delivery, garbage service and emergency response. In addition, agencies should encourage landowners located along rural roads with larger lots to develop turnarounds on their property. Turnarounds allow vehicles to turn onto the main roadway and achieve travel speeds more quickly versus vehicles backing out onto the highway.

   Another tool that can be used to minimize the number of access points along a roadway is relocating existing access. If a parcel is subdivided in the future, agencies should encourage developers and/or landowners to provide access by relocating an unused access point (Figure 15) so that the net number of access points remains constant.

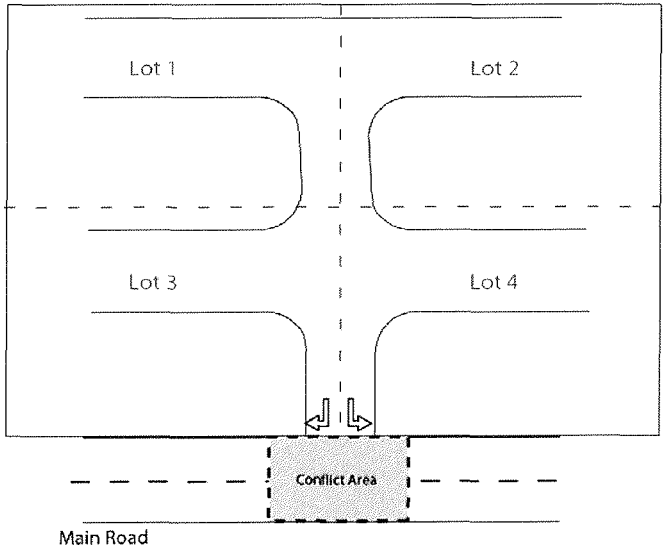
DON'T

Flag Lot Subdivisions



DO

Shared Access



Source: MnDOT Road Design Manual

Practice #9: Consider Providing Shared Access

LRRB Task 5: Best Access Management Practices

FIGURE 14

10. **Encourage good driveway and intersection design characteristics.** In order for access to function safely and efficiently, it should follow good design practices. Some of these practices are listed below and discussed in more detail in Appendix B:

- Proper driveway width and turning radii to promote smooth flow in and out of access points.
- Proper corner clearance so that a driver has the ability to complete the turn and anticipate conflicts on the side street.
- Adequate approach grade and landing area (either a flat spot or slight grade) so that vehicles can gain access to the main roadway with normal acceleration, ensuring that stopping and starting is not a problem.
- Intersection alignment is at right angles or near right angles (maximum 20 degree deviation from a right angle) to maximize sight lines, minimize the time a vehicle is in the conflict area and facilitate turning movements.
- Proper grading of entrance inslopes and culvert openings to minimize safety issues.
- Keep sight triangles and clear zones free of obstructions that impede sight distance and pose potential safety hazards if vehicles are involved in run-off-the-road crashes.

RECEIVED
By Stacy Westhoff at 8:03 am, Apr 16, 2026

Stacy Westhoff

From: John Northrup <john@gmnorthrup.com>
Sent: Wednesday, April 15, 2026 4:25 PM
To: Nicholette Dunlap; Stacy Westhoff
Cc: John Northrup; Steve R. Lindemann; Gary perkins
Subject: Formal Opposition to Cobblecrest Properties, LLC

Some people who received this message don't often get email from john@gmnorthrup.com. Learn why this is important

April 15, 2026

Dear Board members:
I am writing to ask for your help, and respectfully request you represent and protect the rights of the residents and inhabitants of Clearwater Lake by disapproving Cobblecrest Properties, LLC variance and subdivision requests. There have been numerous letters and testimonies from neighbors, citizens, Bay Lake, and others, opposing this subdivision and warning of damage to Clearwater Point Road, endangering the safety of the people who use that road, and the destruction and erosion of the bluffs and wetlands that protect the lake and its wildlife. This is the third meeting and last minute revision by Cobblecrest Properties LLC, and has not even progressed beyond the driveway. The latest proposed driveway is, by the way, on my property as my corner stake is immediately next to their garage where they propose to cut in the new “Snake” shaped driveway. Bill Welch himself pointed out this corner stake to me, next to his garage, stating that he “parked his boat on my property”. Even more disturbing is the Cobblecrest yet undiscussed subdivision and development of the wetland shoreline on the North side of Clearwater Point Road. The expansion of the Olson’s driveway from a 12ft wide dirt driveway into a 66ft wide road, and the addition of two new lakeshore lots with septic systems, wetland clearing, impervious run off, and 100ft wide swaths cut out to new docks in the buffer zone and sensitive wetlands in the small bay, one of the last wildlife refuges on Clearwater Lake. This “back end” part of the lot was bluffs, lowland, and wetland tailings from the lakeshore on the other side of the road where the existing cabins were built and was never intended to be developed into lakeshore lots. This would be devastating to the lake, wetland, and wildlife. The Welch/Cobblecrest property was platted and purchased as one lot. Overbuilding on the property with multiple dwellings is what caused the current problem. Approving more building and multiple dwellings is not the solution. Please deny and disapprove Cobblecrest Properties variances and subdivision. It is not in the best interests of Crow Wing County. Thank you for your consideration.

John Northrup

Platted Subdivision - 50070563 - Conner - Saved

Application

Application Summary | Plat | Invoice | Timeline | Documents | Follow Up | Related

Primary Parcel number (PIN) * 50070563

Parcel number *	50070563
Owner name	COBBLECREST PROPERTIES LLC
Physical address	23001 CLEARWATER POINT RD
Physical city	BRAINERD
Physical zip	56401
Township	BAY LAKE TOWNSHIP

Shoreland District	Yes
Shoreland Protection Zone	Yes
Riparian	Yes
Within 500ft of the Mississippi	No
Lake/River	CLEARWATER
Deeded acres	25.22
Zoning	SD

Owner Information

Name *	COBBLECREST PROPERTIES LLC
Phone Number +	[redacted]
Email +	[redacted]

Mailing Street 1 +	10549 Riverview Dr
Mailing Street 2	---
Mailing City +	Eden Prairie
Mailing State +	MN
Mailing Zip code +	55347

Application Type	Platted Subdivision ×

Applicant Information

Applicant *	Chad Conner ×
Is Applicant the Property owner *	I am not the owner.
Authorized Agent Name	---
Public Hearing Agent Type	Surveyor
Contractor License Number	41643
Email	[redacted]
Phone	[redacted]
Assisted at Counter	No
Customer Service Rep	
Application Submit Date	12/10/2025

Project Specifics

Enter number of proposed lots	4
Enter number of proposed Out-lots	0
How is the property accessed	Public Road
If easement, is it recorded?	No
If applying for a septic, please select type from the drop down box	---
Is this a preliminary plat or final plat?	Preliminary plat
Is wetland info on file with CWC?	Yes

Findings of Fact

Does the proposed plat conform to the County's Comprehensive Plan?	yes
Is the proposal consistent with the existing County Subdivision Ordinance? Specify the applicable sections of the ordinance.	yes
Are there any other standards, rules or requirements that this plat must meet? Specify other required standards.	no
Is the proposed plat compatible with the present land uses in the area of the proposal?	yes
Does the plat conform to all applicable performance standards in Article 4.5 of the Subdivision Ordinance?	yes
How are the potential environmental impacts being resolved? (Does the plat meet County standards?) Explanation should include: Stormwater, Erosion/Sediment Control, Wetlands, Floodplains, Shoreland, Septic Systems	the proposed plat meets CWC standards and adequate measures are being taken for minimal changes
Have the potential public health, safety or traffic generation impacts been addressed?	Minimal changes to health, safety or traffic, proposed plat meets/exceeds CWC standards

CROW WING COUNTY STAFF PRELIMINARY FINDINGS OF FACT SUPPORTING/DENYING A PRELIMINARY PLAT

Name of Applicant: Cobblecrest Properties LLC Date: April 16, 2026

PID: 50070563

FINDINGS OF FACT:

1. ***Does the proposed plat conform to the County's Comprehensive Plan?***
   Yes ☒ ***No*** ☐ ***Why or why not?***

- Goal 1: Plan for residential development that meets the needs of residents of all ages and income levels, focusing on an aging population and moderately priced housing for area workers. Balance interests between short-term rentals and long-term housing needs. Support the development of housing that balances natural resources, creates a sense of community, and connects to recreational amenities and open space. (pg. 68)
  - Policy 1: Promote policies and development that make housing more attainable for all income levels and abilities, especially workers, seniors, and first-time homebuyers.
  - Policy 2: Pursue development opportunities that provide for all stages of life and are accessible to all residents.
  - Policy 3: Encourage mixed-use development to create neighborhoods and communities around existing and new housing.

2. ***Is the proposal consistent with the existing County Subdivision Ordinance? Specify applicable sections of the Ordinance.***
   Yes ☒ ***No*** ☐ ***Why or why not?***

- Clearwater lake is a recreational development lake that requires a minimum lot requirement of 40,000 square feet, minimum buildable area of 16,000 square feet and 150 feet wide. All lots in the proposed plat meet this requirement.

3. ***Are there any other standards, rules or requirements that this plat must meet?***
   Yes ☐ ***No*** ☒ ***Why or why not?***

- Site suitablities were submitted to the county on 05/15/2025. There is adequate room on all parcels for two type one (1) subsurface sewage treatment systems. A compliance inspection was submitted to the county on 05/15/2025 for the three existing systems.
- A wetland delineation of the parcels was submitted to the Land Services Department on 09/25/2025 by Brinks Wetland Services.
- The dwelling to the east on proposed lot 1 was constructed prior to 1970 and had an addition that was constructed with a permit on 08/05/1974. The dwelling to the west on proposed lot 1 was constructed with a permit on 05/09/1980. These uses are pre-existing on the lot and no variances are required.
- Clearwater lake is a recreational development lake that requires a minimum lot requirement of 40,000 square feet, minimum buildable area of 16,000 square feet and 150 feet wide.

4. ***Is the proposed plat compatible with the present land uses in the area of the proposal?***
Yes ☒ ***No*** ☐ ***Why or why not?***

- This property is zoned Shoreland District and is surrounded by shoreland and residential uses.

5. ***Does the plat conform to all applicable performance standards in Article 9 of the Subdivision Ordinance?***
Yes ☒ ***No*** ☐ ***Why or why not?***

- Site suitablities were submitted to the county on 05/15/2025. There is adequate room on all parcels for two type one (1) subsurface sewage treatment systems. A compliance inspection was submitted to the county on 05/15/2025 for the three existing systems.
- A wetland delineation of the parcels was submitted to the Land Services Department on 09/25/2025 by Brinks Wetland Services.
- Clearwater lake is a recreational development lake that requires a minimum lot requirement of 40,000 square feet, minimum buildable area of 16,000 square feet and 150 feet wide.

6. ***How are the potential environmental impacts being resolved? (Does the plat meet County Standards?)***
Yes ☒ ***No*** ☐ ***Why or why not?***

- Stormwater: This will be managed through the land use permit process for each individual lot.
- Erosion/Sediment Control: This will be managed through the land use permit process for each individual lot.
- Wetlands: A wetland delineation of the parcels was submitted to the Land Services Department on 9/25/2025 by Brinks Wetland Services.
- Floodplain: Due to the topography at the lakeshore, there will be no impact to the floodplain in this plat.
- Shoreland: This plat meets all the shoreland standards set in Article 9, 11, and 33 of the Land Use Ordinance except that a variance is needed to build a driveway in the bluff impact zone for lot 1.
- Septic Systems: There is adequate room on all parcels for two type one subsurface sewage treatment systems. A compliance inspection was submitted to the county on 05/15/2025 for the three existing systems.

7. ***Have the potential public health, safety or traffic generation impacts been addressed?***
Yes ☒ ***No*** ☐ ***Why or why not?***

- Site suitablities were submitted to the county on 05/15/2025. There is adequate room on all parcels for two type one (1) subsurface sewage treatment systems. A compliance inspection was submitted to the county on 05/15/2025 for the three existing systems.

- A wetland delineation of the parcels was submitted to the Land Services Department on 09/25/2025 by Brinks Wetland Services.
- No new roads are being constructed with this plat.

8. ***Other issues pertinent to this matter:*** **None**

9. ***Township recommendation:*** **Disapproval on 4/15/26**

- ***Township concerns related to pedestrian safety and the potential impact to the sensitive bluff. It is not necessary to construct the new driveway as there is already an access to lot 1 through lot 2.***

CROW WING COUNTY
MINNESOTA

NOTICE OF DECISION

Property Owner/Applicant: Cobblecrest Properties LLC

Authorized Agent: Chad Connor

Parcel Number: 50070563

Physical Address: 23001 Clearwater Point Road, Brainerd, MN 56401

Township: Bay Lake

Your Variance application was denied by the Board of Adjustment on April 16, 2026 for 65 cubic yards of dirt moving within the bluff impact zone where no dirt moving is allowed and the placement of a driveway located within a bluff impact zone where the driveway is required to meet the 30-foot bluff setback.

Date:4/17/2026

Chris Pence – Environmental Service Manager

Please contact Crow Wing County Land Services (218)-824-1010 with any questions you might have.

CROW WING COUNTY MINNESOTA

NOTICE OF DECISION

Property Owner/Applicant: Cobblecrest Properties LLC

Authorized Agent: Chad Connor

Parcel Number: 50070563

Physical Address: 23001 Clearwater Point Road, Brainerd, MN 56401

Township: Bay Lake

Your application for the Preliminary Plat of Clearwater Point Second Addition has been recommended for approval to the County Board of Commissioners on April 16, 2026, by the Planning Commission. Your application will now be placed on the April 28, 2026, County Board Agenda.

CONDITIONS:

1. **Final plat must be submitted within 12 months of Preliminary Plat approval by the County Board**
2. **All applicable required improvements (Article 9.8) shall be effectively implemented**
3. **If this plat proposes to disturb 1 acre or more of soil, a Stormwater Pollution Prevention Plan (SWPPP) must be approved by the MPCA for their records prior to construction, tree clearing, and/or land grading and implemented on-site.**
4. **Documentation of plat monuments completed within 1 year of recording final plat**
5. **Title Commitment (Before Final Plat)**

Date: 4/17/2026

Chris Pence Environmental Services Manager

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Land Services	Chris Pence
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Blackburn IM Ruttgers SPV LLC - “Ruttgers 1st Hole Golf Cottages 2nd Addition” Preliminary Plat

PREVIOUS ACTION:

April 16, 2026– The Planning Commission/Board of Adjustment made a motion to recommend approval of the preliminary plat of “Ruttgers 1st Hole Golf Cottages 2nd Addition” to the County Board of Commissioners.

COMMENTS:

Bay Lake Township recommend approval 4/14/2026

No other comments received

Legal Description: Lot 1 Block 1 of Ruttgers 1st Hole Golf Cottages

Section 4 Township 45 Range 28

Bay Lake Township

Parcel number: 50030614

RECOMMENDED BOARD ACTION:

Approve the preliminary plat of “Ruttgers 1st Hole Golf Cottages 2nd Addition” consisting of 12 total lots.

Approximate length of presentation: 5 Minutes

Property Owner: Blackburn IM Ruttgers SPV LLC

Parcel Number: 50030614

Township: Bay Lake

Legal Description: Lot 1 Block 1 of Ruttgers 1st Hole Golf Cottages
Section 4 Township 45 Range 28

Bay Lake – Recreational Development – Lake Setback of 100 feet

Development Review Team Meeting: 2/23/2026
Application Submitted: 3/11/2026
60 Day Action Deadline: 5/10/2026
60 Day Waiver: N/A
Wetland: Delineated in 2021
Septic: Septic letter 1/10/2024
County Board Meeting: 4/28/2026

Land Use District: Commercial

Adjacent Land Use:
North: Commercial
South: Commercial
East: Commercial
West: Commercial

Request:
Preliminary Plat:

- Ruttgers 1st Hole Golf Cottages 2nd Addition with 12 total lots

Potential Conditions:

1. Final plat must be submitted within 12 months of Preliminary Plat approval by the County Board
2. All applicable required improvements (Article 9.8) shall be effectively implemented
3. If this plat proposes to disturb 1 acre or more of soil, a Stormwater Pollution Prevention Plan (SWPPP) must be approved by the MPCA for their records prior to construction, tree clearing, and/or land grading and implemented on-site.
4. Documentation of plat monuments completed within 1 year of recording final plat
5. Title Commitment (Before Final Plat)
6. Signed & notarized copy of covenants & declarations (Before Final Plat)

Permit History:
50030614:

- 07/01/1974 – Land Use Permit – Construction of a tennis court
- 06/22/1974 – Land Use Permit – Construction of 109’ x 120’ tennis court
- 02/21/1979 – Land Use permit – Construction of two (2), one bedroom units as a second story 27’ x 28’.

- 03/07/1980 – Land Use permit – Construction of 6’ x 24’ addition to cabin #9
- 10/24/1980 – Land Use permit – Construction of 50’ x 60’ kitchen addition to existing dining room/kitchen
- 11/09/1982 – Land Use permit – Construction of 50’ x 60’ storage building
- 05/23/1983 – Land Use permit – Construction of 6’ x 14’ deck addition to existing lodge (not adding to non-conformity). Reconstruct 24’ x 30’ deck with 6’ wide steps to existing pool.
- 04/10/2002 – Permit – Construct 1.5’ x 11’ double faced sign at entrance.
- 09/09/2021 – Conditional Use permit – Amendment to conditional use permit dated 03/23/2006 for shared capital resort. Fourteen (14) structures, 42 bedrooms.
- 08/21/2021 – County Board – Final plat approved “1st Hole Golf Estates with 14 total lots. Twelve (12) lots with Twelve (12) structures with up to 36 bedrooms. 1 common lot and 1 outlot.

Agencies Notified and Responses Received:
DNR: No comment received as of 4/09/2026
CWC Highway Department: No comment received as of 4/09/2026
SWCD: No comment received as of 4/09/2026
Bay Lake Township: No comment received as of 4/09/2026
Bay Lake Association: No comment received as of 4/09/2026

Public Hearing notifications:
Mailing notification sent on 4/03/2026 to owners in a ½ mile radius of parcel.
Published in the Brainerd Dispatch on 4/04/2026

Per findings of fact discussed 4/19/2026, the application submitted 3/11/2026, the staff report, public testimony, and as shown on the Certificate of Survey dated 3/10/2026; Located in Bay Lake Township, Crow Wing County, Minnesota

Meeting Minutes – Development Review Team (DRT)

Date: February 23, 2026
Time: 10:30am
Attendees:

- Nicholette Dunlap – Senior Environmental Specialist
- Stacy Westhoff – Planning Coordinator
- Don Hales – Bay Lake Township
- Matt Kallroos – Highway Department
- Jake Frie – Minnesota DNR
- Chris Pence – Environmental Services Manager
- Michael Cameron – GM, Rutgers Bay Lake Resort
- Grant Madison – Asset Manager, Blackburn Investment
- TJ McMillan – Blackburn Investment Management
- Jennifer Carey – Legal Counsel

Project Summary

- **Project:** Amend existing plat, New plat for existing cabins, and address future development plans for **Rutgers Bay Lake Resort**.
- **Objectives:**

  Amend Ruttgers 1st Hole Golf Cottages Plat:

  - Shift Lots 1–3 east, no changes in size.
  - Eliminate Lot 4 (location of water supply well house).
  - Setbacks are being met.
  - Purpose: Expand golf course parking and boat trailer storage area.

New Plat for existing cabins: Ruttgers Lakeside Cottages 2nd Addition

- Existing Conditional Use Permit approved for cabins under construction (Lots 1–8 currently being built; Lots 9–13 built last winter).
- Plat cabins (Lots 1–13) for quarter-share ownership.
- Maintain resort classification (units available for rental at least 50% of the time).

Discussion Highlights

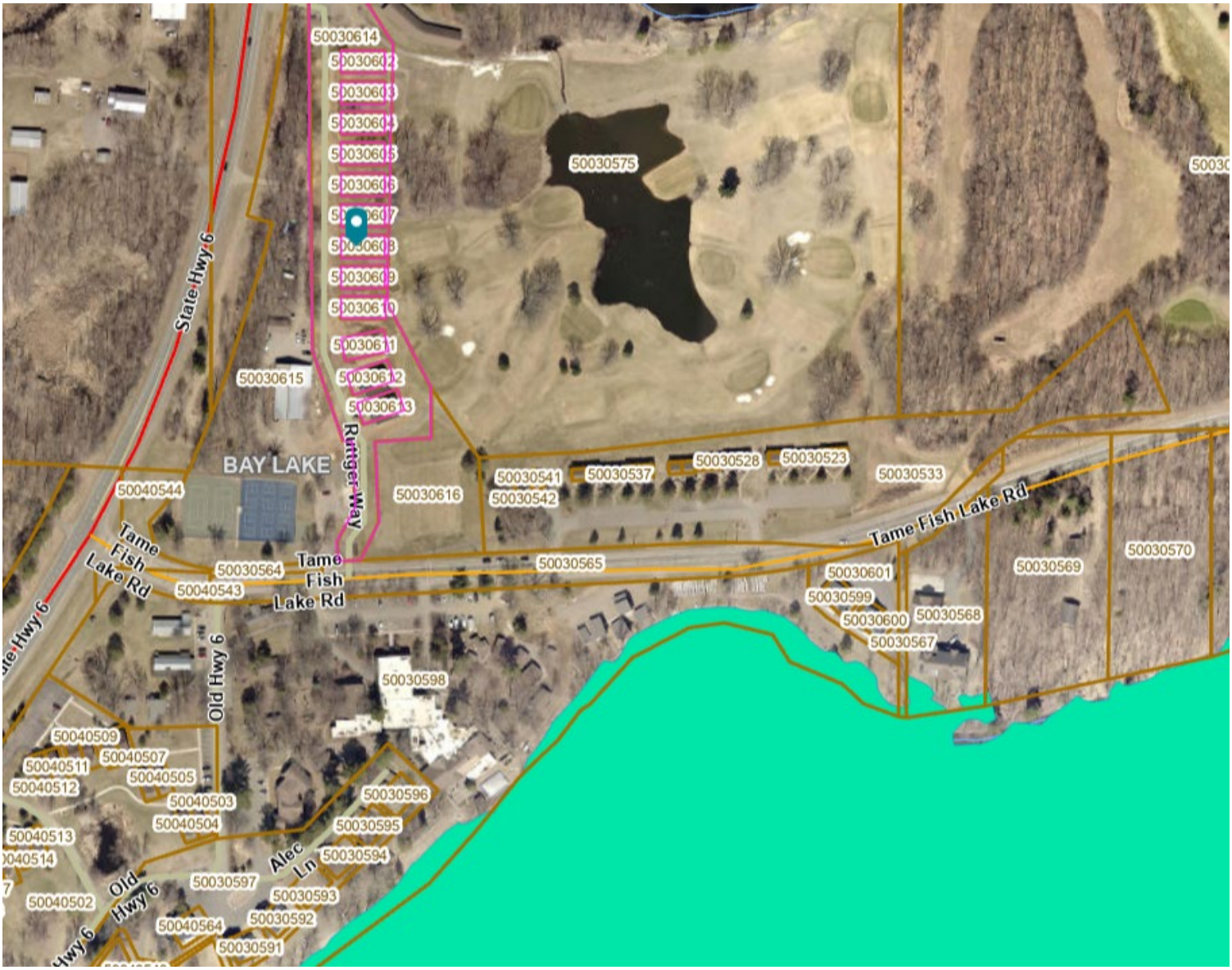
- **Quarter-Share Ownership:**
  - Each unit: 4 owners, one week per month usage; units remain in rental pool.
  - County ordinance updated: Resort units must be available for rental at least 50% of the time (previous 42-day rule removed).
- **Approval Process & Timeline:**
  - Preliminary plat submission deadline: March 11 for April 16 public hearing.
  - Fee: \$750 per plat.
  - Option to submit preliminary and final plats together for faster approval.
- **Township Coordination:**
  - Attend Bay Lake Township meeting; contact Township clerk for agenda.
- **Future Plans Environmental Considerations:**
  - Maintain setbacks: 150 ft (Goose Lake), 100 ft (Bass Lake).
  - Limited accessory structures allowed (e.g., 250 sq. ft. water-oriented storage).
  - No permanent structures or campers within setback zones.
  - Additional cabins, Nordic spa, and amenities under consideration.

Next Steps

- **Applicant (Rutgers/Blackburn):**
    - Prepare and submit preliminary and final plats by **March 11**.
    - Pay fees
    - Coordinate with Township for meeting attendance.
    - Work with legal counsel on Department of Commerce compliance.

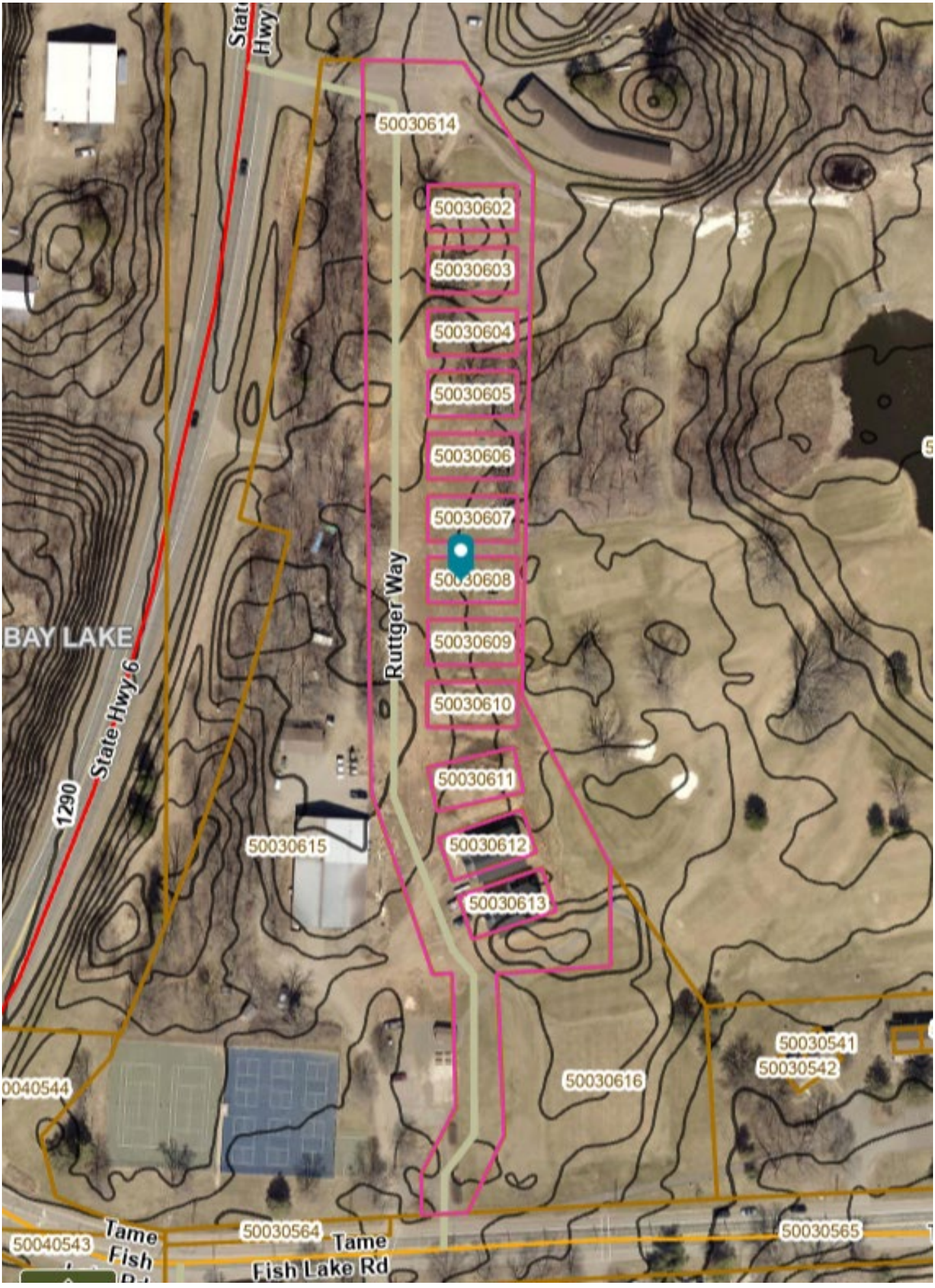
Important dates:

- Bay Lake Township meeting: 2nd Tuesday of the month at 7:00pm
- Application due: March 11th
- Public Hearing: April 16th
- County Board (final approval): April 28th


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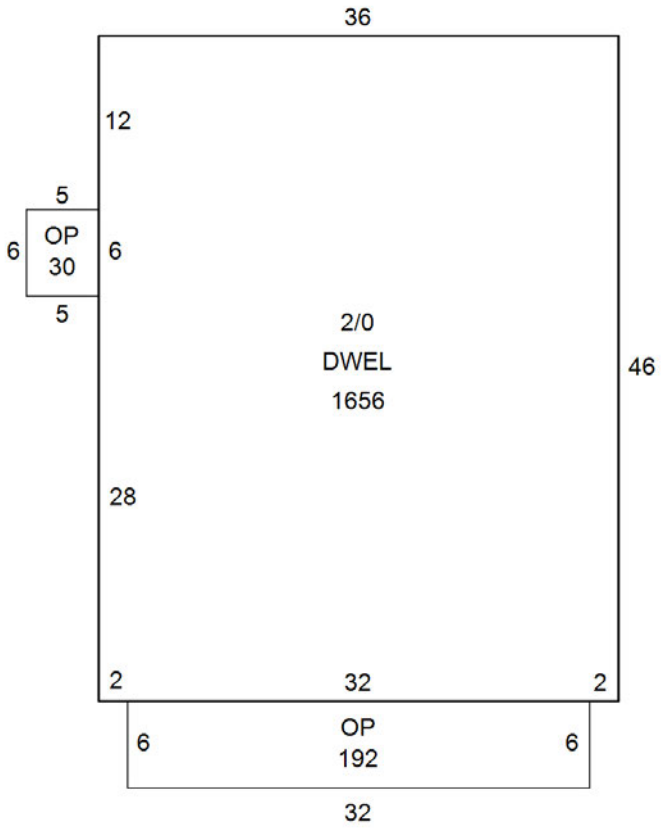

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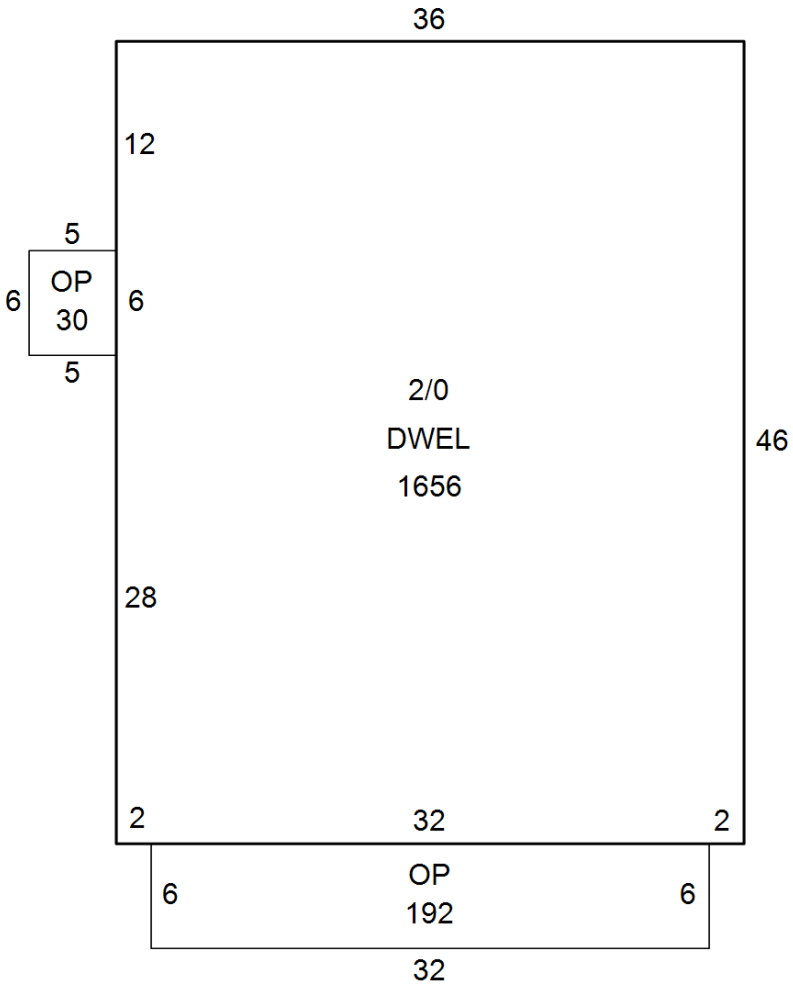




50030612



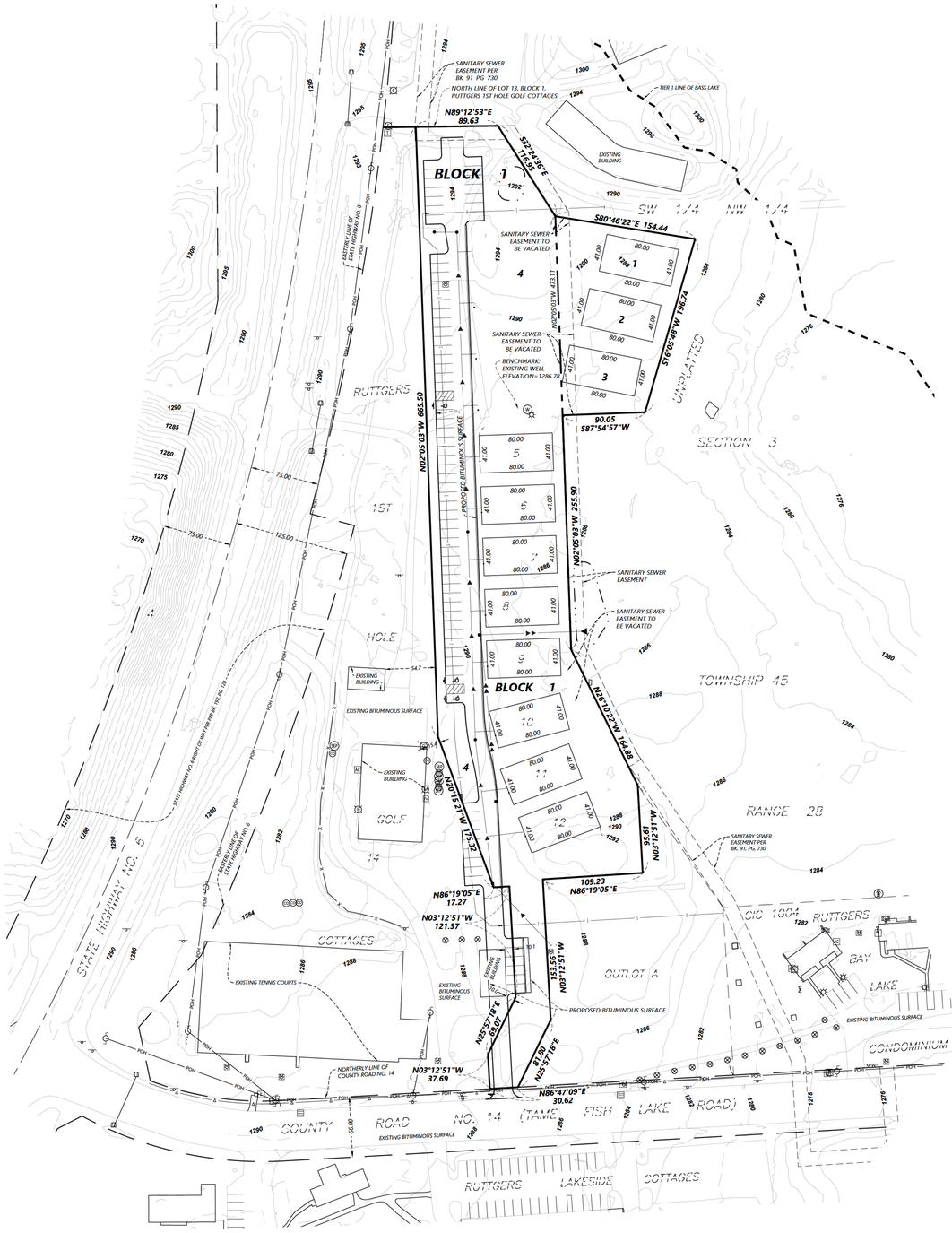



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© 2026 Westwood Professional Services, Inc.

Call 48 Hours before digging:
811 or call811.com
Common Ground Alliance

RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION



LEGAL DESCRIPTION

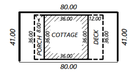
Lot 1 through Lot 4, inclusive and Lot 13, Block 1, RUTTGERS 1ST HOLE GOLF COTTAGES, according to the recorded plat thereof, and that part of the Southwest Quarter of the Northwest Quarter, of Section Three (3), Township Forty-five (45), Range Twenty-eight (28) Crow Wing County, Minnesota, described as follows:

Commencing at the northwest corner of said Lot 13, thence North 89 degrees 12 minutes 53 seconds East, assumed bearing along the north line of said Lot 13, a distance of 89.63 feet to a easterly line of said Lot 13; thence South 32 Degrees 24 Minutes 36 Seconds East, along said easterly line, a distance of 116.95 feet to the point of beginning of the land to be described; thence South 80 Degrees 46 Minutes 22 Seconds East, a distance of 154.44 feet; thence South 16 Degrees 05 Minutes 48 Seconds West, a distance of 196.74 feet; thence South 87 Degrees 54 Minutes 57 Seconds West, a distance of 90.05 feet to said easterly line of Lot 13; thence North 02 Degrees 05 Minutes 03 Seconds West, along said easterly line, a distance of 217.21 feet to the point of beginning.

GENERAL NOTES

1. *This survey was prepared without the benefit of a title commitment, no title commitment provided by client at time of survey.*
2. *Subject property address: 25040 Tame Fish Lake Road, Deerwood, Minnesota, 56444.*
3. *Subject property contains 134,830 sq. ft. or 3.098 acres.*
4. *Subject property appears to be classified as Zone X (area of minimal flood hazard) when scaled from Flood Insurance Rate Map Community - Panel Number 27035C0500C, dated 8/15/2017.*
5. *Improvements appearing on this survey are shown per field work performed on 6/11/2021.*
6. *As inspected by an Environmental Scientist from Westwood Professional Services on 5/4/2021 there are not any wetlands on the subject property.*
7. *Per the USDA NRCS National Cooperative Soil Survey it appears the entire project site is classified as C17B, Rosholt-Chetek complex, 2 to 8 percent slopes.*
8. *The subject properties land use is governed by Waterfront Commercial zoning per Crow Wing County Land Use Ordinance.*
9. *Site Benchmark: Top of Well Elevation=1286.78 feet elevation is based upon NAVD 88 Vertical Datum.*

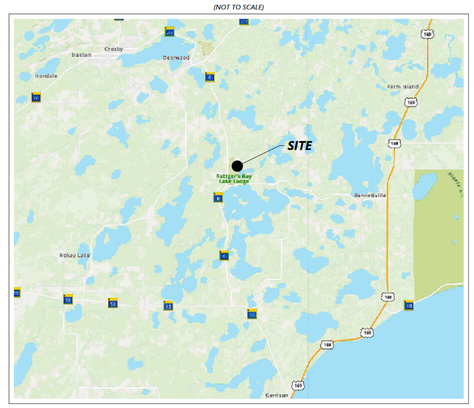
TYPICAL LOT
SCALE: 1 =50'
AREA=3,280 SQ. FT.

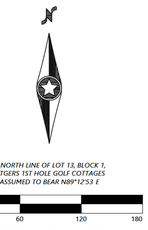


SET 1/2 BY 14 IRON PIPE MARKED BY LICENSE NO. 61071

FOUND MONUMENT

VICINITY MAP
(NOT TO SCALE)





LEGEND

- SANITARY MANHOLE
- SEWER CLEANOUT
- SEPTIC COVER
- STORM MANHOLE
- BEEHIVE CATCH BASIN
- CATCH BASIN
- FLARED END SECTION
- HYDRANT
- GATE VALVE
- WATER METER
- FIRE DEPARTMENT CONNECTION
- WATER MANHOLE
- WELL
- ELECTRIC BOX
- ELECTRIC METER
- ELECTRIC MANHOLE
- STREET LIGHT
- GUY WIRE
- POWER POLE
- TELEPHONE BOX
- HAND HOLE/JUNCTION BOX
- CABLE TV BOX
- FIBER OPTIC PEDESTAL
- NATURAL GAS METER
- NATURAL GAS VALVE
- AIR CONDITIONER
- UNKNOWN MANHOLE
- MISCELLANEOUS METER
- MISCELLANEOUS PEDESTAL
- STEEL/WOOD POST
- SIGN
- MAIL BOX
- MONITORING WELL
- BOUNDARY LINE
- RIGHT-OF-WAY LINE
- LOT LINE
- EASEMENT LINE
- SECTION LINE
- POH — POWER OVERHEAD
- x — FENCE LINE
- PROPOSED STORM LINE
- PROPOSED CATCH BASIN
- PROPOSED FLARED END SECTION
- PROPOSED SANITARY MANHOLE
- PROPOSED SANITARY SEWER
- FM — PROPOSED SANITARY SEWER FORCE MAIN
- PROPOSED WELL

DEVELOPER AND OWNER:
Blackburn IM Ruttgers SPV LLC, a Limited Liability Corporation
25039 Tame Fish Lake Road,
Deerwood, MN 56444

SURVEYOR/ENGINEER:
Westwood Professional Services, Inc.
1900 Medical Arts Ave S, Suite 100
Sartell, Minnesota, 56377
Ph- (320)253-9495

N:\0027119.07\05 CAD\DWG\SURVEY\NORTH PLAT\0027119V.PP01 NORTH OF ROAD.DWG

CHECKED: ACW
DRAWN: BTW
HORIZONTAL SCALE: 60

INITIAL ISSUE: 03/10/2026
REVISIONS:
-
-
-
-
-

PREPARED FOR:
BLACKBURN IM RUTTGERS SPV LLC

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA

Andrew Westbrock LS
DATE: 03/10/2026 LICENSE NO. 61071

RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION
Deerwood, Minnesota

Westwood
Phone (320) 253-9495 1900 Medical Arts Ave S, Suite 100
Fax (320) 358-2001 Sartell, MN 56377
Toll Free (800) 270-9495 westwoodps.com
Westwood Professional Services, Inc.

PRELIMINARY PLAT

PROJECT NUMBER: 0027119.07

SHEET NUMBER: 1 OF 1
DATE: 03/10/2026

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Data Source(s): Westwood (2021); Census Bureau (2017); USDA NAIP Renville County (2019); Renville County (2017).

Legend

- Delineation Boundary
- Delineated Wetlands
- Non-wetland Sample Point
- Upland Sample Point
- Wetland Sample Point

Ruttgers Bay Lake Project

Bay Lake Township
Crow Wing County, Minnesota

Delineated Wetlands

Westwood
Toll Free (888) 937-5150 westwoodps.com
Westwood Professional Services, Inc.

Map Document: N:\0027119.00\GIS\MXD\wetland exhibits\Ruttgers_Ex5_DelineatedWetlands_210513.mxd 5/20/2021 5:27:11 PM ALMcTaggart

Date: January 10, 2024

To: Whom it may concern

From: Lee Bundy

Subject: Ruttger's Bay Lake Resort

The resort has a collection system consisting of Septic Tanks of Various sizes, and two separate drain fields. Both are functional. One is used for the summer flows, and one is used for the winter flows. The resort is regulated by an NPDES permit, serviced by the MPCA. Both are operating properly.

Lee Bundy , Operator
People Service, inc.
lbundy@peopleservice.com
320.420.9967

TOWNSHIP RECOMMENDATION FORM

RECEIVED
By Stacy Westhoff at 9:52 am, Apr 15, 2026

On April 14, 2026, the Town Board of Bay Lake discussed the Preliminary Plat for Blackburn IM Ruttgers SPV LLC

Preliminary Plat Request For:

- Ruttgers 1st Hole Golf Cottages 2nd Addition – consisting of 12 lots

After reviewing the Request, the Town Board:

X **RECOMMENDS APPROVAL:**

__ **RECOMMENDS DISAPPROVAL:**

___ **HAS NO RECOMMENDATION, BUT WILL FORWARD THE REQUEST TO THE PLANNING COMMISSION OR BOARD OF ADJUSTMENT**

SIGNED:

Carol Pundt
Township Clerk

Supervisor

Supervisor

Supervisor

CAROL PUNDT
Clerk, Crow Wing County Minnesota

PLANNING & ZONING RECOMMENDATION FORM

Platted Subdivision - 50030602 - Madison - Saved

Application

Application Summary | Plat | Invoice | Timeline | Documents | Follow Up | Related

Primary Parcel number (PIN) *	50030602
Parcel number *	50030602
Owner name	BLACKBURN IM RUTTGERS SP...
Physical address	
Physical city	
Physical zip	
Township	BAY LAKE TOWNSHIP

Shoreland District	No
Shoreland Protection Zone	Yes
Riparian	No
Within 500ft of the Mississippi	No
Lake/River	
Deeded acres	0.08
Zoning	C-2

Owner Information

Name *	BLACKBURN IM RUTTGERS SPV LLC
Phone Number +	[redacted]
Email +	[redacted]

Mailing Street 1 +	227 W 1st Street
Mailing Street 2	#650
Mailing City +	Duluth
Mailing State +	MN
Mailing Zip code +	55802

Adjacent Parcels

Adjacent Parcels

Adjacent Parcel Number 2	50030603
Adjacent Parcel Number 3	50030604
Adjacent Parcel Number 4	50030605
Adjacent Parcel Number 5	50030614

Application Type	Platted Subdivision ×

Applicant Information

Applicant *	Grant Madison ×
Is Applicant the Property owner *	I am the owner of a property listed as a trust, LLC, etc.
Authorized Agent Name	---
Public Hearing Agent Type	---
Contractor License Number	---
Email	---
Phone	---
Assisted at Counter	No
Customer Service Rep	
Application Submit Date	3/11/2026

Project Specifics

Enter number of proposed lots	11
Enter number of proposed Out-lots	1
How is the property accessed	Public Road
If easement, is it recorded?	No
If applying for a septic, please select type from the drop down box	---
Is this a preliminary plat or final plat?	Preliminary plat
Is wetland info on file with CWC?	Yes

Findings of Fact

Does the proposed plat conform to the County's Comprehensive Plan?	Yes
Is the proposal consistent with the existing County Subdivision Ordinance? Specify the applicable sections of the ordinance.	Yes
Are there any other standards, rules or requirements that this plat must meet? Specify other required standards.	No
Is the proposed plat compatible with the present land uses in the area of the proposal?	Yes
Does the plat conform to all applicable performance standards in Article 4.5 of the Subdivision Ordinance?	Yes

How are the potential environmental impacts being resolved? (Does the plat meet County standards?) Explanation should include: Stormwater, Erosion/Sediment Control, Wetlands, Floodplains, Shoreland, Septic Systems	Stormwater ponds, siltation fence and tubes consistent with county standards.
Have the potential public health, safety or traffic generation impacts been addressed?	Yes

CROW WING COUNTY STAFF PRELIMINARY FINDINGS OF FACT SUPPORTING/DENYING A PRELIMINARY PLAT

Name of Applicant: Blackburn IM Ruttgers SPV LLC

Date: April 16, 2026

PID: 50030614

FINDINGS OF FACT:

1. ***Does the proposed plat conform to the County's Comprehensive Plan?***
   Yes ☒ ***No*** ☐ ***Why or why not?***

- Goal 1: Plan for residential development that meets the needs of residents of all ages and income levels, focusing on an aging population and moderately priced housing for area workers. Balance interests between short-term rentals and long-term housing needs. Support the development of housing that balances natural resources, creates a sense of community, and connects to recreational amenities and open space. (pg. 68)
  - Policy 1: Promote policies and development that make housing more attainable for all income levels and abilities, especially workers, seniors, and first-time homebuyers.
  - Policy 2: Pursue development opportunities that provide for all stages of life and are accessible to all residents.
  - Policy 3: Encourage mixed-use development to create neighborhoods and communities around existing and new housing.

2. ***Is the proposal consistent with the existing County Subdivision Ordinance? Specify applicable sections of the Ordinance.***
   Yes ☒ ***No*** ☐ ***Why or why not?***

- A conditional use permit was approved 09/09/21 for 14 total dwellings with 42 total bedrooms. The proposal has since been reduced to 11 total dwellings with 42 total bedrooms.
- Proposal maintains orderly development consistent with prior approvals for a resort-based subdivision. (Article 9.2)
- The property is in a Commercial district, and the proposed 12-lot plat (11 dwellings and one common open space) is consistent with the land use designation and historic resort approvals.

3. ***Are there any other standards, rules or requirements that this plat must meet?***
   Yes ☐ ***No*** ☒ ***Why or why not?***

- Ruttgers Resort has a permit through the MPCA for their sewage treatment system. All improvements proposed will be reviewed and approved by the MPCA.
- A wetland delineation of the parcels was submitted to the Land Services Department on 05/24/2021 by Brinks Wetland Services.

4. ***Is the proposed plat compatible with the present land uses in the area of the proposal?***
Yes ☒ ***No*** ☐ ***Why or why not?***

- This property is zoned Commercial District and is surrounded by Commercial and residential uses.

5. ***Does the plat conform to all applicable performance standards in Article 9 of the Subdivision Ordinance?***
Yes ☒ ***No*** ☐ ***Why or why not?***

- Ruttgers Resort has a permit through the MPCA for their sewage treatment system. All improvements proposed will be reviewed and approved by the MPCA.
- A wetland delineation of the parcels was submitted to the Land Services Department on 05/24/2021 by Brinks Wetland Services.

6. ***How are the potential environmental impacts being resolved? (Does the plat meet County Standards?)***
Yes ☒ ***No*** ☐ ***Why or why not?***

- Stormwater: The resort submitted and is implementing the stormwater/erosion/sediment control/NPDES(SWPPP) plan as part of the CUP approval from 09/09/2021
- Erosion/Sediment Control: The resort submitted and is implementing the stormwater/erosion/sediment control/NPDES(SWPPP) plan as part of the CUP approval from 09/09/2021
- Wetlands: A wetland delineation of the parcels was submitted to the Land Services Department on 05/24/2021 by Brinks Wetland Services.
- Floodplain: Due to the topography at the lakeshore, there will be no impact to the floodplain in this plat.
- Septic Systems: Ruttgers Resort has a permit through the MPCA for their sewage treatment system. All improvements proposed will be reviewed and approved by the MPCA.

7. ***Have the potential public health, safety or traffic generation impacts been addressed?***
Yes ☒ ***No*** ☐ ***Why or why not?***

- Ruttgers Resort has a permit through the MPCA for their sewage treatment system. All improvements proposed will be reviewed and approved by the MPCA.
- A wetland delineation of the parcels was submitted to the Land Services Department on 05/24/2021 by Brinks Wetland Services.
- No new roads are being constructed with this plat.

8. ***Other issues pertinent to this matter:*** **None**

9. ***Township recommendation:*** *None as of 04/09/26*

CROW WING COUNTY MINNESOTA

NOTICE OF DECISION

Property Owner: Blackburn IM Ruttgers SPV LLC

Parcel Number: 50030614

Township: Bay Lake

Your application for the Preliminary Plat of Ruttgers 1st Hole Golf Cottages 2nd Addition has been recommended for approval to the County Board of Commissioners on April 16, 2026, by the Planning Commission. Your application will now be placed on the April 28, 2026, County Board Agenda.

CONDITIONS:

1. **Final plat must be submitted within 12 months of Preliminary Plat approval by the County Board**
2. **The boundary line adjustment for PIDs 50030575 & 50030614 must be approved by the County and recorded before the Final Plat can be recorded.**
3. **All applicable required improvements (Article 9.8) shall be effectively implemented**
4. **If this plat proposes to disturb 1 acre or more of soil, a Stormwater Pollution Prevention Plan (SWPPP) must be approved by the MPCA for their records prior to construction, tree clearing, and/or land grading and implemented on-site.**
5. **Documentation of plat monuments completed within 1 year of recording final plat**
6. **Title Commitment (Before Final Plat)**
7. **Signed & notarized copy of covenants & declarations (Before Final Plat)**

Date: 4/17/2026

Chris Pence Environmental Services Manager

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Land Services	Chris Pence
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Blackburn IM Ruttgers SPV LLC - "Ruttgers 1st Hole Golf Cottages 2nd Addition" Final Plat

PREVIOUS ACTION:

April 16, 2026– The Planning Commission/Board of Adjustment made a motion to recommend approval of the preliminary plat of "Ruttgers 1st Hole Golf Cottages 2nd Addition" to the County Board of Commissioners.

COMMENTS:

Bay Lake Township recommend approval 4/14/2026

No other comments received

Legal Description: Lot 1 Block 1 of Ruttgers 1st Hole Golf Cottages

Section 4 Township 45 Range 28

Bay Lake Township

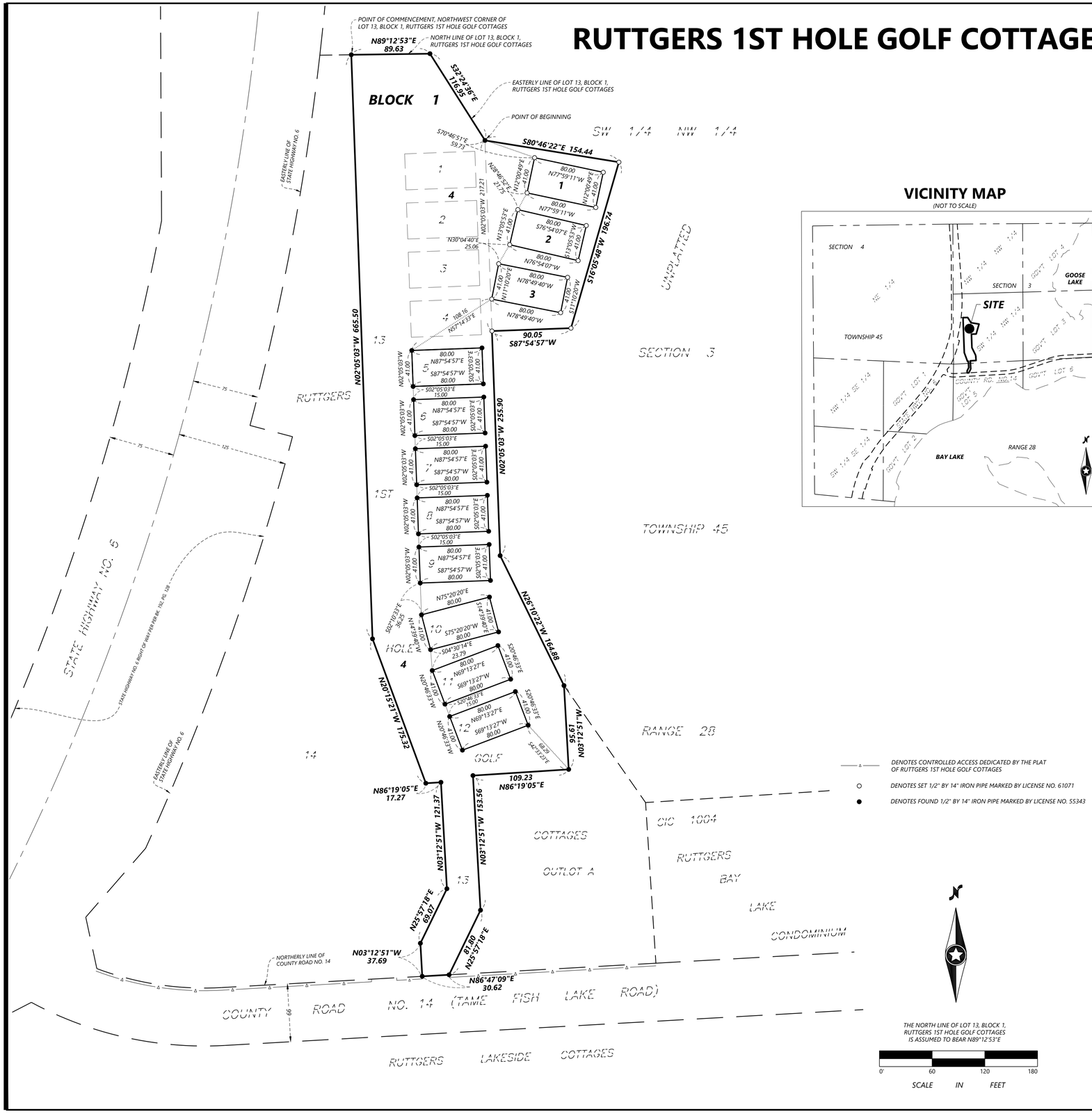
Parcel number: 50030614

RECOMMENDED BOARD ACTION:

Approve the Final plat of "Ruttgers 1st Hole Golf Cottages 2nd Addition" consisting of 12 total lots.

Approximate length of presentation: 5 minutes

RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION



DENOTES CONTROLLED ACCESS DEDICATED BY THE PLAT OF RUTTGERS 1ST HOLE GOLF COTTAGES

DENOTES SET 1/2" BY 14" IRON PIPE MARKED BY LICENSE NO. 61071

DENOTES FOUND 1/2" BY 14" IRON PIPE MARKED BY LICENSE NO. 55343

THE NORTH LINE OF LOT 13, BLOCK 1, RUTTGERS 1ST HOLE GOLF COTTAGES IS ASSUMED TO BEAR N89°12'53"E

0' 60 120 180

SCALE IN FEET

VICINITY MAP

(NOT TO SCALE)

KNOW ALL PERSONS BY THESE PRESENTS: That Blackburn IM Ruttgers SPV LLC, a Limited Liability Corporation is the owner of the following described property, situated in the County of Crow Wing, State of Minnesota, to-wit:

LEGAL DESCRIPTION:

Lot 1 through Lot 4, inclusive and Lot 13, Block 1, RUTTGERS 1ST HOLE GOLF COTTAGES, according to the recorded plat thereof, and that part of the Southwest Quarter of the Northwest Quarter, of Section Three (3), Township Forty-five (45), Range Twenty-eight (28) Crow Wing County, Minnesota, described as follows:

Commencing at the northwest corner of said Lot 13, thence North 89 degrees 12 minutes 53 seconds East, assumed bearing along the north line of said Lot 13, a distance of 89.63 feet to a easterly line of said Lot 13; thence South 32 Degrees, 24 Minutes 36 Seconds East, along said easterly line, a distance of 116.95 feet to the point of beginning of the land to be described; thence South 80 Degrees 46 Minutes 22 Seconds East, a distance of 154.44 feet; thence South 16 Degrees 05 Minutes 48 Seconds West, a distance of 196.74 feet; thence South 87 Degrees 54 Minutes 57 Seconds West, a distance of 90.05 feet to said easterly line of Lot 13; thence North 02 Degrees, 05 Minutes, 03 Seconds West, along said easterly line, a distance of 217.21 feet to the point of beginning.

Has caused the same to be surveyed and platted as RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION.

IN WITNESS WHEREOF, said Blackburn IM Ruttgers SPV LLC, a Limited Liability Corporation, has caused these presents to be signed by its proper officer this _____ day of _____, 20____.

Blackburn IM Ruttgers SPV LLC

By _____

Its _____

STATE OF MINNESOTA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, its _____ of Blackburn IM Ruttgers SPV LLC, a Limited Liability Corporation, on behalf of the corporation.

_____ _____
NOTARY SIGNATURE *NOTARY PRINTED NAME*

NOTARY PUBLIC,_____ COUNTY, MINNESOTA

MY COMMISSION EXPIRES _____

I hereby certify that I have surveyed and platted the property described on this plat as RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION, that this plat is a correct representation of the survey; that all distances are correctly shown on the plat in feet and hundredths of a foot; that all monuments have been correctly placed in the ground as shown, or will be correctly placed in the ground as designated; that the outside boundary lines are correctly designated on the plat; and that there are no wet lands as defined in MS 505.01 Subd. 3, or public highways to be designated other than as shown.

_____
Andrew C. Westbrock, Licensed Land Surveyor
Minnesota License Number 61071

STATE OF MINNESOTA
COUNTY OF _____

The foregoing Surveyor's Certificate was acknowledged before me this ____ day of _____, 20___, by Andrew C. Westbrock, Licensed Land Surveyor, Minnesota License Number 61071.

_____ _____
NOTARY SIGNATURE *NOTARY PRINTED NAME*

NOTARY PUBLIC,_____ COUNTY, MINNESOTA

MY COMMISSION EXPIRES _____

Pursuant to Minnesota Statutes, Chapter 272.12, that there are no delinquent taxes on the land hereinbefore described on this plat and transfer and pursuant to Chapter 505.021, Subd. 9, taxes payable for the year _____ on the land hereinbefore described have been paid this _____ day of _____, 20_____.

_____
Gary Griffin, Auditor/Treasurer
Crow Wing County, Minnesota

I hereby certify that this instrument was filed for record in the office of the County Recorder in and for Crow Wing County, Minnesota on this _____ day of _____, 20____, as Document No._____

_____ _____
CROW WING COUNTY RECORDER *DEPUTY RECORDER*

This plat of RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION was approved by the Crow Wing County Board of Commissioners, Crow Wing County, Minnesota on this _____ day of _____, 20_____.

_____
CHAIRMAN

Westwood
Professional Services, Inc.

03-31-2026

Crow Wing County

Land Service Department

322 Laurel Street, Suite 14

Brainerd, Minnesota 56401

RE: RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION

Crow Wing County Land Service Department:

I have reviewed and checked the proposed final plat of RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION in regards to the mathematical correctness and the requirements of the most current; Minnesota Platting Statutes, Chapter 505 and the current Manual of Guidelines for Platting in Minnesota, a joint publication of the Minnesota Society of Professional Surveyors (MSPS) and Minnesota Association of County Surveyors (MACS).

The plat dedication which includes the legal description, dedication statements, owner's signatures and other approving signatures conforms to the plat drawing and information provided to form. This independent plat review does not include a title review to confirm the use of the proper plat boundary description or ownership of the subject property being platted.

A field inspection to confirm the placement of the required boundary, plat and lot corners has not been performed.

Based on these conditions I find the plat to conform to the above statutes, regulations and publications.

I hereby certify that this report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the state of Minnesota.

Name of Surveyor

Signature: _____ Typed or Printed Name: Jordan Chouanard

Date: 3-31-2026 License Number: 57077

-

COMMON INTEREST COMMUNITY NO. 1152

PLANNED COMMUNITY

RUTTGERS 1ST HOLE GOLF COTTAGES

FIRST AMENDMENT TO AND RESTATEMENT OF DECLARATION

This First Amendment to and Restatement of Declaration (this "Declaration") is made this ____ day of April, 2026, by Blackburn IM Ruttgers SPV, LLC, a Minnesota limited liability company, d/b/a Ruttger's Resort (the "Declarant"), with the unanimous written consent of the Owners, in accordance with the requirements of the Minnesota Common Interest Ownership Act, Minnesota Statutes Chapter 515B (the "Act"), and the Original Declaration (as defined herein).

RECITALS

WHEREAS, a common interest community in the form of a planned community was created under the name "Ruttgers 1st Hole Golf Cottages" pursuant to the Declaration dated March 9, 2022 and recorded on March 18, 2022 in the Office of the County Recorder of Crow Wing County, Minnesota, as Document No. 968388 (the "Original Declaration").

WHEREAS, the Original Declaration established a plan for the use, operation, maintenance, and preservation of the real estate described therein (the "Original Property").

WHEREAS, the Declarant has succeeded under Section 515B.3-104 of the Act to all special declarant rights of 1898 Investments LLC, DBA Ruttger's Bay Lake Resort ("Original Declarant"), pursuant to the Transfer of Special Declarant Rights dated May 8, 2023 and recorded on June 8, 2023 in the Office of the County Recorded of Crow Wing County, Minnesota, as Document No. 984918.

WHEREAS, the Declarant has replatted portions of the Original Property and adjacent real property for the purposes, among others, of decreasing the number of Units, changing the boundaries of certain Units, and adding Common Elements to the common interest community. The amended legal description of the real property that Declarant and the Owners desire to submit to the Act as the planned community known as "Ruttgers 1st Hole Golf Cottages" is set forth in Exhibit A attached hereto ("Property").

WHEREAS, the Property (i) is not subject to an ordinance referred to in Section 515B.1-106 of the Act, governing conversions to common interest ownership, (ii) is not subject to a master association as defined in the Act; and (iii) does not include any shoreland, as defined in Minnesota Statues Section 103F.205.

WHEREAS, the Declarant and the Owners desire to amend and restate the Original Declaration in accordance herewith, and to subject the Property to the covenants, restrictions, easements, charges, and liens set forth herein, pursuant to the requirements and procedures prescribed by the original Declaration and the Act.

NOW, THEREFORE, the Declarant, with the unanimous written consent of the Owners, hereby declares that (i) the Property shall be held, transferred, sold, conveyed, used, and occupied subject to the covenants, restrictions, easements, charges, and liens set forth herein, all of which shall be binding upon all Persons owning or acquiring any right, title, or interest in the Property and their heirs, personal representatives, successors, and assigns, and (ii) the Original Declaration shall be revoked and superseded in its entirety by this Declaration, effective upon its recording ("Effective Date").

SECTION 1
DEFINITIONS

The following words when used in the Governing Documents shall have the following meanings (unless the context indicates otherwise):

1.1 **"Act"** means the Minnesota Common Interest Ownership Act, Minnesota Statutes Chapter 515B, as amended.

1.2 **"Affiliate"** means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with such Person.

1.3 **"Articles"** means the Articles of Incorporation of the Association, as amended from time to time.

1.4 **"Assessments"** means all Assessments or other amounts levied or assessed by the Association in accordance with the Governing Documents.

1.5 **"Association"** means Ruttger's 1st Hole Golf Cottages Owners Association, a nonprofit corporation which has been created pursuant to Chapter 317A of the laws of the State of Minnesota and Section 515B.3-101 of the Act, whose members consist of all Owners.

1.6 **"Board"** means the Board of Directors of the Association as provided for in the Bylaws. References in this Declaration to the Board shall mean the Association's Board of Directors.

1.7 **"Building"** means a structure which is or becomes a part of the Property and which contains a Dwelling.

1.8 **"Bylaws"** means the bylaws governing the operation of the Association, as amended from time to time.

1.9 **"Commercial Resort Easement"** refers to the Amended and Restated Declaration of Commercial Easements, Covenants, Conditions, and Restrictions dated April ____, 2026, and recorded on April ____, 2026, in the Office of the County Recorder of Crow Wing County, Minnesota as Document No. _____, which imposes certain easements, covenants, restrictions and reservations upon the Property for the benefit of the Resort Property, for purposes that include allowing Resort Owner to: (i) permit Managed Property Owners, their guests, and guests of the Resort to use the Managed Property Recreational Facilities (as hereafter defined); and (ii) do all acts used and/or useful in connection with the operation of the Resort, all as more fully described in the Commercial Resort Easement.

1.10 **"Commercial Resort Rules"** means the reasonable rules adopted by the Resort Owner and/or Resort Operator from time to time and binding upon the Property pursuant to the Commercial Resort Easement. The Commercial Resort Rules are intended to facilitate the use of Managed Property for Commercial Resort Easement Purposes, and the use of Managed Property Recreational Facilities.

1.11 **"Common Elements"** means all parts of the Property except the Units, including all improvements thereon, owned by the Association for the common benefit of the Owners and Occupants, and their guests and invitees. The Common Elements are described in Exhibit B attached hereto.

1.12 **"Common Expenses"** means all expenditures made or liabilities incurred by or on behalf of the Association and incident to its operation, including without limitation, any amounts allocated to reserves and items otherwise identified as Common Expenses in this Declaration or Bylaws.

1.13 **"County"** means Crow Wing County, Minnesota.

1.14 **"Declarant"** means Blackburn IM Ruttgers SPV, LLC, a Minnesota limited liability company, d/b/a Ruttger's Resort.

1.15 **"Dwelling"** means a Building consisting of one or more floors, designed and intended for occupancy as short or long-term living quarters for one or more persons.

1.16 **"Eligible Mortgagee"** means any Person that owns a first mortgage on a Unit which has requested in writing that the Association notify it regarding any proposed action which requires approval by a specified percentage of Eligible Mortgagees.

1.17 **"Fractional Interest"** means an undivided fee interest in a Unit, together with the exclusive right to use and occupy the Unit, and the non-exclusive right to use and occupy the Common Elements, during intermittent or interval periods of time, as designated in the declaration or other instrument creating the Fractional Interests.

1.18 **"Governing Documents"** means this Declaration, and the Articles of Incorporation, Bylaws, and Rules and Regulations of the Association, as amended from time to time, all of which shall govern the use and operation of the Property.

1.19 **"Government Regulations"** means all federal , state, county or municipal laws, rules, ordinances, regulations, directives, orders and requirements, including but not limited to, all County and Township ordinances and regulations now in force or which may later be in force which are applicable to the Property.

1.20 **"Limited Common Elements"** means a portion of the Common Elements allocated by the Declaration or by operation of Section 515B.2-102(d) or (f) of the Act for the exclusive use of one or more, but fewer than all, of the Units.

1.21 **"Lot 44"** means Lot 44, Block 1, RUTTGERS 1 ST HOLE GOLF COTTAGES 2ND ADDITION , Crow Wing County, Minnesota. Lot 44 is subject to the Commercial Resort Easement and also comprises the Common Elements of the Property.

1.22 **"Managed Property"** means the Units within the Property and units outside of the Property managed by the Resort Operator or the Resort Management Agent under the Managed Property Rental Program.

1.23 **"Managed Property Owners"** means the Owners of Units and Fractional Interests within the Property and owners of other units and fractional interests outside the Property who elect to participate in the Managed Property Rental Program.

1.24 **"Managed Property Recreational Facilities"** means the recreational facilities from time to time installed and maintained within Lot 4 and outside of the Property by the Resort Owner or Resort Operator, pursuant to the Commercial Resort Easement.

1.25 **"Managed Property Rental Program"** means the program under which the Managed Property Owners may enroll their units and fractional interests with Resort Operator or Resort Management Agent who then rent the enrolled units and/or fractional interests to third parties for commercial resort purposes.

1.26 **"Manager"** means the Person with relevant professional experience and expertise managing similar resort properties retained by the Association and approved by Resort Owner, to manage, conduct the affairs of and perform certain functions of the Association pursuant to a Property Management Agreement.

1.27 **"Member"** means a Person who is a member of the Association by virtue of being an Owner. The Owners of the Units are the Members of the Association. The words "Owner" and "Member" may be used interchangeably in the Governing Documents.

1.28 **"Occupant"** means any Person or Persons, other than an Owner, in possession of or residing in a Unit.

1.29 **"Owner"** means a Person who owns a Unit or Fractional Interest, but excluding contract for deed vendors, mortgagees, holders of reversionary interests in life estates and other secured parties within the meaning of the Act. The term "Owner" includes, without limitation, contract for deed vendees and holders of a life estate.

1.30 **"Person"** means a natural individual, corporation, limited liability company, partnership, limited liability partnership, trustee, or other legal entity capable of holding title to real property.

1.31 **"Plats"** means the recorded plats of RUTTGERS 1ST HOLE GOLF COTTAGES and RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION, Crow Wing County, Minnesota, which depict the Property (and other land not included in this common interest community). The Plats conform to the requirements of Minnesota Statutes, Chapter 505, and references to the Plats includes any amended or supplemental Plat(s) recorded from time to time in accordance with the Act.

1.32 **"Property"** means all of the real property subject to this Declaration, including the Units and the Common Elements. The Property is described on Exhibit A attached hereto.

1.33 **"Property Management Agreement"** means an agreement between the Association and the Manager regarding the management of and/pr performance of certain functions of the Association.

1.34 **"Qualified Rental Manager"** means a professional rental management company who rents a Unit for an Owner as part of the Rental Management Program pursuant to a Rental Management Agreement. The Resort Operator is and shall be a Qualified Rental Manager.

1.35 **"Resort"** means the licensed commercial resort known as "Ruttger's Bay Lake Resort."

1.36 **"Resort Owner"** means the owner of the Resort, and its successors and assigns. As of the Effective Date, Declarant is the Resort Owner.

1.37 **"Resort Operator"** means the Person, who may be the Declarant or an Affiliate thereof, retained by Resort Owner to manage and operate the Resort. If the Resort Owner does not retain a separate Person to manage and operate the Resort but manages the Resort directly, then the Resort Owner shall be considered the Resort Operator.

1.38 **"Resort Management Agent"** means the Person retained by Resort Owner to manage the Managed Property Rental Program within and outside of the Property, who shall be a professional rental management company. The Resort Operator is and shall be qualified to be the Resort Management Agent.

1.39 **"Rules and Regulations"** or **"Rules"** means the Rules and Regulations of the Association as approved from time to time pursuant to Section 5.6.

1.40 **"Township"** means Bay Lake Township located in Crow Wing County, Minnesota.

1.41 **"Unit"** means any of Lots 5 through 12, Block 1, RUTTGERS 1ST HOLE GOLF COTTAGES, and Lots 1 through 3, Block 1, RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION, all in Crow Wing County, Minnesota.

Any terms used in the Governing Documents and defined in the Act and not in this Section, shall have the meaning set forth in the Act. References to Section numbers refer to the Sections of this Declaration unless otherwise indicated.

SECTION 2
DESCRIPTION OF UNITS AND BOUNDARIES, AND RELATED EASEMENTS AND RESTRICTIONS

2.1 **Units.** There are 11 Units, all of which are restricted to nonresidential use (commercial resort purposes). Each Unit constitutes a separate parcel of real estate. A Unit or Units owned exclusively by the Declarant or the Association may be subdivided, combined or converted into one or more Units, Limited Common Elements, Common Elements, or a combination of Units, Limited Common Elements or Common Elements pursuant to Section 515B.2-112 of the Act, provided that no additional Units may be created by the subdivision or conversion of Units. The Unit identifiers and locations of the Units are as shown on the Plats, which are incorporated herein by reference. The Unit identifier for a Unit is its lot and block number and the subdivision name.

2.2 **Unit Boundaries.** The front, rear and side boundaries of each Unit shall be the boundary lines of the platted lot constituting the Unit and in which a Building is located or intended to be located as shown on the Plats. The Units shall have no upper or lower boundaries. Subject to this Section 2 and Section 3.2, all improvements within the boundaries of a Unit are a part of the Unit.

2.3 **Access Easements.** Each Unit shall be the beneficiary of a perpetual easement for access on or across those portions of the Common Elements improved for use as roadways, recreational amenities or walkways, and for access to the public road known as County Road No. 14 (Tame Fish Lake Road), subject to any restrictions set forth in this Declaration and the Commercial Resort Easement.

2.4 **Commercial Resort Easement.** The Property is subject to the Commercial Resort Easement. Among other things, the Commercial Resort Easement provides an easement for access to and use of the Managed Property Recreational Facilities, subject, however, to the Commercial Resort Rules. Pursuant to the provisions of the Commercial Resort Easement, Resort Owner is responsible, at the expense of the Resort Owner, for the maintenance and improvement of the Managed Property Recreational Facilities located on the Property. The Resort Owner specifically has the right to permit the use of the Managed Property Recreational Facilities by: (i) Managed Property Owners and their guests; (ii) Owners who pay the Commercial Resort Fee, if applicable; and (iii) guests of the Resort.

2.5 **Use and Enjoyment Easements.** Each Unit shall be the beneficiary of perpetual easements for use and enjoyment of the Common Elements, and for use and enjoyment of any Limited Common Elements allocated to the Unit, subject to any restrictions authorized by the Governing Documents and the Commercial Resort Easement.

2.6 **Utility and Maintenance Easements.** Each Unit and the improvements thereon shall be subject to and shall be the beneficiary of perpetual easements for all services and servicing the Units, the improvements thereon, and the Common Elements, and for maintenance, repair and replacement, as described in Section 12**.** Pursuant to Section 8 below, the Owners of the Units, and not the Association, are responsible for the maintenance, repair and replacement of the exterior of the Buildings within the Units, including without limitation the roofs; provided, however, that with the consent of a majority of the Owners of the Units within the Property, the Association may perform maintenance, repairs and replacements of the exteriors of the Buildings, the cost of which will then be a Common Expense.

2.7 **Encroachment Easements.** Each Unit shall be subject to and shall be the beneficiary of perpetual easements for encroachments, as described in Section 12.

2.10 **Recorded Easements.** In addition to being subject to the Commercial Resort Easement, the Property shall be subject to such other easements as are recorded against it or as otherwise shown on the Plats.

2.11 **Easements and Restrictions are Appurtenant.** All easements, covenants and restrictions burdening or benefiting a Unit or any other part of the Property shall run with the land, and shall be non-exclusive and permanent, subject only to termination in accordance with the Act or the terms of the applicable recorded instrument. Any recorded easement benefiting or burdening the Property shall be construed in a manner consistent with, and not in conflict with, the easements created by this Declaration; provided, however, that this Declaration is subordinate to the Commercial Resort Easement.

2.12 **Impairment Prohibited.** No person shall materially restrict or impair any easement benefiting or burdening the Property, subject to the Declaration. This Section 2.12 shall not be interpreted as restricting the right of the Association to establish and enforce reasonable Rules and Regulations governing the use of the Property that do not materially restrict or impair any easement benefiting or burdening the Property.

2.13 **Benefit of Easements.** All easements created by this Declaration which benefit a Unit shall benefit the Owners and Occupants of the Unit, and their families and guests. The rights under the Commercial Resort Easement benefit only those Units within the Property (and other units) that enroll in the Managed Property Rental Program and become Managed Property Owners or who pay the Commercial Resort Easement Fee, if applicable. Persons renting a Unit outside of the Managed Property Rental Program do not have the easement rights and rights of access to Managed Property Recreational Facilities within and outside of the Property, including the right to use those Managed Property Recreational Facilities on Lot 414. An Owner who has delegated the right to occupy the Owner's Unit to an Occupant, whether by a rental agreement or otherwise, does not have the use and other easement rights in the Property during such delegated occupancy, except as a guest of an Owner or Occupant who has enrolled in the Managed Property Rental Program or who has paid the Commercial Resort Easement Fee, if applicable.

2.14 **Parking.** Owners, Owners' families, tenants and guests may use the vehicle parking spaces located on the Common Elements. The Association may establish a specific parking area for overflow parking and may from time to time establish Rules and Regulations concerning the use of these parking spaces and may cause to be towed from the Common Elements improperly parked vehicles or personal property at the expense of the Owner or Occupant. The parking upon Lot 4 is also subject to Commercial Resort Rules promulgated by the Resort Owner or Resort Operator from time to time pursuant to the Commercial Resort Easement.

2.15 **Personal Property for Common Use.** The Association may acquire and hold for the use of all the Members tangible and intangible personal property and may dispose of the same by sale or otherwise. The Association shall have the authority to impose reasonable Rules and Regulations on, and charges for the use of property owned by the Association.

2.16 **Encroachments.** Some of the Buildings within the Property may be aesthetically and functionally designed with drains, air conditioning equipment and other structures that encroach upon or overhang the Common Elements. The Owner of each Unit hereby takes title subject to a perpetual easement for any such overhang or encroachment and each encroaching or overhanging of the Building or other structure, drain or air conditioning equipment may be repaired, rebuilt or replaced in such a fashion as to permit the overhangs and encroachments to be re-established but not enlarged without consent of the Association.

SECTION 3
COMMON ELEMENTS, LIMITED COMMON ELEMENTS AND OTHER PROPERTY

3.1 **Common Elements.** The Common Elements and their characteristics are as follows:

3.1.1 All portions of the Property not included within the Units constitute Common Elements. The Common Elements include those parts of the Property designated as Common Elements in this Declaration, on the Plats or in the Act. The Common Elements are owned by the Association for the benefit of the Owners and Occupants of the Property, subject, however, to the terms and conditions of the Commercial Resort Easement.

3.1.2 The Common Elements shall be subject to: (i) the easements described in this Declaration, the Plats and any other recorded instrument, including without limitation, the Commercial Resort Easement; (ii) the rights of Owners and Occupants in Limited Common Elements appurtenant to their respective Units; (iii) the right of the Association to establish reasonable Rules and Regulations governing the use of the Property; and (iv) the right of Resort Owner and/or Resort Operator to establish reasonable Commercial Resort Rules to facilitate the operation of a commercial resort on the Property.

3.1.3 Except as otherwise expressly provided in the Governing Documents, all maintenance, repair, replacement, management and operation of the Common Elements shall be the responsibility of the Association; provided, however, that the Resort Owner, and not the Association, shall be responsible for maintaining, repairing, replacing and managing the Managed Property Recreational Facilities located upon any portion of the Common Elements, as provided in the Commercial Resort Easement.

3.1.4 Common Expenses for the maintenance, repair, replacement, management and operation of the Common Elements shall be assessed and collected from the Owners in accordance with Section 6; provided, however, that the Resort Owner is responsible for the cost of maintenance, repair, replacement and management of the Managed Property Recreational Facilities located upon any portion of the Common Elements, as provided in the Commercial Resort Easement.

3.1.5 Notwithstanding the above, no Rules and Regulations or amendments, restrictions, covenants, or alterations may be imposed upon the Common Elements or limit, affect or impact Lot 4, or access to or use of Lot 4 for the purposes described in the Commercial Resort Easement, without the express written consent of the Resort Owner.

3.2 **Limited Common Elements.** The Limited Common Elements are those parts of the Common Elements reserved for the exclusive use of the Owners and Occupants of the Units to which they are allocated. The rights to the use and enjoyment of the Limited Common Elements are automatically conveyed with the conveyance of such Units. The Limited Common Elements are described and allocated to the Units, as shown on the Plats and as follows:

3.2.1 Those items or areas designated as Limited Common Elements on the Plats or by the Act are allocated to the Units as indicated thereon or therein.

3.2.2 Those parts of a Building located outside the Unit's boundaries, such as chimney flues, exterior doors and windows and their frames, skylights, and related trim, hardware and fixtures, are allocated to the Unit or Units which they serve.

3.2.3 Improvements, if any, such as decks, patios, terraces, porches, balconies, shutters, awnings, window boxes, walks, doorsteps and stoops, which are designed to serve a single Unit, and replacements and modifications thereof authorized pursuant to Section 7.11, located outside the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit.

3.2.4 Chutes, flues, ducts, pipes, wires, conduit or other utility installations, bearing walls, bearing columns, or any other components or fixtures lying partially within and partially outside the boundaries of a Unit, and serving only that Unit, are allocated to the Unit they serve. Any portion of such installations serving or affecting the function of more than one Unit or any portion of the Common Elements is a part of the Common Elements, but is not a Limited Common Element.

3.2.5 Heating, ventilating or air conditioning equipment serving only a certain Unit or Units, and located wholly or partially outside the Unit or Unit's boundaries, are allocated to the Unit or Units served by such equipment.

SECTION 4
ASSOCIATION MEMBERSHIP RIGHTS AND OBLIGATIONS

Membership in the Association and the allocation to each Unit of a portion of the votes in the Association and a portion of the Common Expenses of the Association shall be governed by the following provisions:

4.1 **Membership.** Each Owner shall be a member of the Association solely by reason of owning a Unit or Fractional Interest, and the membership shall be deemed transferred with the conveyance of the Owner's interest in the Unit. An Owner's membership shall terminate when the Owner's ownership terminates. When more than one Person is an Owner of a Unit, all such Persons shall be members of the Association, but multiple ownership of a Unit shall not increase the voting rights allocated to such Unit. Furthermore, membership in the Association entitles a member to certain rights and privileges regarding the use of Managed Property Recreational Facilities, as more fully described in Section 9 herein.

4.2 **Common Expenses and Voting.** The voting rights and Common Expense obligations shall be allocated equally to the Units in the Property, and each Unit shall be allocated one vote in the Association.

4.3 **Appurtenant Rights and Obligations.** The ownership of a Unit shall include the voting rights and Common Expense obligations described in Section 4.2. Said rights, obligations and interests, and the title to the Units, shall not be separated or conveyed separately, and any conveyance, encumbrance, judicial sale or other transfer of any allocated interest in a Unit, separate from the title to the Unit shall be void. The allocation of the rights, obligations and interests described in this Section may not be changed, except in accordance with the Governing Documents and the Act.

4.4 **Authority to Vote.** The Owner, or some natural person designated to act as proxy on behalf of the Owner, and who need not be an Owner, may cast the vote allocated to such Unit at meetings of the Association. However, if there are multiple Owners of a Unit, only the Owner or other person designated pursuant to the provisions of the Bylaws may cast such vote. The voting rights of Owners are more fully described in the Bylaws.

4.5 **Managed Property Recreational Facilities.** The Managed Property Recreational Facilities are accessible for use by the Managed Property Owners and their guests and the guests of the Resort during times and on terms and conditions set forth by the Resort Owner in the Commercial Resort Rules reasonably adopted by the Resort Owner and/or the Resort Operator. The Owners of Units and Fractional Interests also may use the Managed Property Recreational Facilities in accordance with the terms and conditions of the Commercial Resort Easement.

SECTION 5
ADMINISTRATION

The administration and operation of the Association and the Property, including but not limited to the acts required of the Association, shall be governed by the following provisions:

5.1 **General.** The operation and administration of the Association and the Property shall be governed by the Governing Documents, the Rules and Regulations, and the Act. The Association shall be responsible for the operation, management and control of the Property,

subject, however to the provisions of the Commercial Resort Easement as it applies to Lot 4. The Association shall have all powers described in the Governing Documents, the Act and the statute under which the Association is incorporated. All power and authority of the Association shall be vested in the Board, unless action or approval by the individual Owners is specifically required by the Governing Documents or the Act. All references to the Association shall mean the Association acting through the Board unless specifically stated to the contrary.

5.2 **Operational Purposes.** The Association shall operate and manage the Property for the purposes of (i) administering and enforcing the covenants, restrictions, easements, charges and liens set forth in the Governing Documents and the Rules and Regulations, (ii) maintaining, repairing and replacing those portions of the Property for which it is responsible and (iii) preserving the value and the architectural character of the Property, subject, however to the provisions of the Commercial Resort Easement.

5.3 **Binding Effect of Actions.** All agreements and determinations made by the Association in accordance with the powers and voting rights established by the Governing Documents or the Act shall be binding upon all Owners and Occupants, and their lessees, guests, heirs, personal representatives, successors and assigns, and all secured parties as defined in the Act, subject, however to the provisions of the Commercial Resort Easement.

5.4 **Bylaws.** The Association shall have Bylaws. The Bylaws shall govern the operation and administration of the Association and shall be binding on all Owners and Occupants.

5.5 **Management.** The Board may delegate to a manager or managing agent the management duties imposed upon the Association's officers and directors by the Governing Documents and the Act. However, such delegation shall not relieve the officers and directors of the ultimate responsibility for the performance of their duties as prescribed by the Governing Documents and by law.

5.6 **Rules and Regulations.** The Board shall have exclusive authority to approve and implement such reasonable Rules and Regulations as it deems necessary from time to time for the purpose of operating and administering the affairs of the Association and regulating the use of the Property; provided that the Rules and Regulations shall not be inconsistent with the Governing Documents, the Act or the Commercial Resort Easement. The inclusion in other parts of the Governing Documents of authority to approve Rules and Regulations shall be deemed to be in furtherance, and not in limitation, of the authority granted by this Section. New or amended Rules and Regulations shall be effective only after reasonable notice thereof has been given to the Owners. Nothing herein shall be construed to limit the right of the Resort Owner to adopt reasonable Commercial Resort Rules to facilitate the use of the Property for commercial resort purposes.

5.7 **Association Assets: Surplus Funds.** All funds and real or personal property acquired by the Association shall be held and used for the benefit of the Owners for the purposes stated in the Governing Documents. Surplus funds remaining after payment of or provision for Common Expenses and reserves shall be credited against future Assessments or added to reserves, as determined by the Board.

SECTION 6
ASSESSMENTS

6.1 **General.** Assessments shall be determined and assessed against the Units and Fractional Interests by the Board, in its discretion; subject to the requirements and procedures set forth in this Section 6 and the requirements of the Bylaws. Assessments shall include annual Assessments under Section 6.2 and may include special Assessments under Section 6.3 and limited Assessments under Section 6.4. Annual and special Assessments shall be allocated among the Units in accordance with the allocation formula set forth in Section 4.2. Limited Assessments under Section 6.4 shall be allocated to the Units as set forth in that Section. Assessments shall include an allocated share of the Association's share of the maintenance, repair, and replacement of the improvements on Lot 4, other than the Managed Property Recreational Facilities thereon.

6.2 **Annual Assessments.** Annual Assessments shall be established and levied by the Board, subject to the limitations set forth hereafter. Each annual Assessment shall cover all of the anticipated Common Expenses of the Association for that year which are to be shared by all Units in accordance with the allocation set forth in Section 4.2. Annual Assessments shall be payable in equal monthly or quarterly installments, as established by the Board. Annual Assessments shall provide, among other things, for an adequate reserve fund for the maintenance, repair and replacement of the Common Elements and those parts of the Units for which the Association is responsible.

6.3 **Special Assessments.** In addition to annual Assessments, and subject to the limitations set forth hereafter, the Board may levy in any Assessment year a special Assessment against all Units for the purpose of defraying in whole or in part (i) the cost of any unforeseen or unbudgeted Common Expense, (ii) general or specific reserves for maintenance, repair or preplacement, and (iii) the maintenance, repair or replacement of any part of the Property, and any fixtures or other property related thereto. Notwithstanding the foregoing, any special Assessment shall be subject to approval by the vote of a majority of those Owners voting, in person or by proxy, at a meeting called for that purpose.

6.4 **Limited Assessments.** In addition to annual Assessments and special Assessments, the Board may, at its discretion, levy and allocate limited Assessments among only certain Units in accordance with the following requirements and procedures:

6.4.1 Assessments associated with the maintenance, repair, or replacement of a Limited Common Element shall be assessed exclusively against the Unit or Units to which that Limited Common Element is assigned, on the basis of (i) equality, (ii) square footage of the area being maintained, repaired, or replaced, or (iii) the actual cost incurred with respect to each Unit, as appropriate.

6.4.2 Any Common Expense or portion thereof benefiting fewer than all of the Units may be assessed exclusively against the Unit or Units benefited, on the basis of (i) equality, (ii) square footage of the area being maintained, repaired, or replaced, or (iii) the actual cost incurred with respect to each Unit, as appropriate.

6.4.3 The costs of insurance may be assessed equally, or in proportion to the square footage or actual cost per Unit, and the costs of common utilities may be assessed in proportion to usage or such other reasonable allocation as may be approved by the Board.

6.4.4 Subject to Section 515B.3-102(a)(11) and (c) of the Act, reasonable attorneys' fees and other costs incurred by the Association in connection with (i) the collection of Assessments and (ii) the enforcement of the Governing Documents, the Act, or the Rules and Regulations, against an Owner or Occupant or their guests, may be assessed against the responsible Owner's Unit, subject to Section 515B.3-116(a) of the Act.

6.4.5 Late charges, fines and interest may be assessed as provided in Section 13.

6.4.6 Assessments levied under Section 515B.3-116(a) of the Act to pay a judgment against the Association may be levied only against the Units existing at the time the judgment was entered, in proportion to their Common Expense liabilities.

6.4.7 If any damage to the Common Elements or another Unit is caused by the act or omission of any Owner or Occupant, or their guests, the Association may assess the costs of repairing the damage exclusively against the Owner's Unit to the extent not covered by insurance.

6.4.8 If any Assessment or installment of an Assessment becomes more than 30 days past due, then the Association may, upon 10 days written notice to the Owner, declare the entire amount of the Assessment immediately due and payable in full, except that any portion of the Assessment that represents installments that are not due and payable without acceleration as of the date of reinstatement must not be included in the amount that an Owner must pay to reinstate under Minnesota Statutes, Section 580.30 or Minnesota Statutes, Chapter 581.

6.4.9 If Common Expense liabilities are reallocated for any purpose authorized by the Act, Assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated Common Expense liabilities.

Assessments levied under Sections 6.4.1 through 6.4.8 shall not be considered special Assessments as described in Section 6.3.

6.5 **Working Capital Fund.** A working capital shall be maintained to meet unforeseen expenditures or to purchase additional equipment or services during the Association's beginning years of operation. The initial purchaser of a Unit or Fractional Interest from Declarant shall contribute, on a one-time basis, an amount equal to four months of installments of the estimated Common Expense Assessment for the Unit or Fractional Interest purchased. That contribution shall be paid at the closing of the purchaser's acquisition of the Unit or Fractional Interest from Declarant. The purchaser's contribution to this fund is in addition to the purchaser's obligation to pay regular monthly installments of Common Expense Assessments in the purchaser's capacity as an Owner.

6.6 **Liability of Owners for Assessments.** The obligation of an Owner to pay Assessments shall commence at the later of (i) the time at which the Owner acquires title to the Unit, or (ii) the due date of the first Assessment levied by the Board, subject to the Alternate Common Expense Plan described in Section 6.7 The Owner at the time an Assessment is payable with respect to the Unit shall be personally liable for the share of the Common Expenses assessed against such Unit. Such liability shall be joint and several where there are multiple Owners of the Unit. The liability is absolute and unconditional. No Owner is exempt from liability for payment of Assessments by right of set-off, by waiver of use or enjoyment of any part of the Property, by absence from or abandonment of the Unit, by the waiver of any other rights, or by reason of any claim against the Association or its officers, directors or agents, or for their failure to fulfill any duties under the Governing Documents or the Act.

6.7 **Declarant's Alternate Expense Plan.** The following Alternative Expense Plan is established pursuant to Section 515B.3-1151(a)(2) of the Act. Notwithstanding anything to the contrary in this Section 6, the Declarant's Common Expense liability, and the corresponding Assessment lien against the Units owned by the Declarant, is limited to (i) paying when due, the amount equal to the full share of the replacement reserves allocated to Units or Fractional Interests owned by the Declarant, as set forth in the Association's budget; and (ii) paying when due all accrued expenses of the Association in excess of the aggregate assessments payable with respect to the Units owned by Persons other than Declarant. However, the Alternative Expense Plan shall not affect the Declaration's obligation to make up any operating deficit pursuant to Section 515B.3-1151(2)(iv) of the Act.

6.8 **Assessment Lien.** The Association has a lien on a Unit or Fractional Interest for any Assessment levied against that Unit from the time the Assessment becomes due. If an Assessment is payable in installments, the full amount of the Assessment is a lien from the time

the first installment thereof becomes due. Fees, charges, late charges, fines and interest charges imposed by the Association pursuant to Section 515B.3-102(a)(10), (11) and (12) of the Act are liens, and are enforceable as Assessments, under this Section 6. Recording of the Declaration constitutes record notice and perfection of any lien under this Section 6, and no further recordation of any notice of or claim for the lien is required.

6.9 **Foreclosure of Lien: Remedies.** A lien for Assessments may be foreclosed against a Unit or Fractional Interest under the laws of the state of Minnesota (i) by action, or (ii) by advertisement in a like manner as a mortgage containing a power of sale. The Association, or its authorized representative, shall have the power to bid in at the foreclosure sale and to acquire, hold, lease, mortgage and convey any Unit so acquired. The Owner and any other Person claiming an interest in the Unit or Fractional Interest, by the acceptance or assertion of any interest in the Unit or Fractional Interest, grants to the Association a power of sale and full authority to accomplish the foreclosure. The Association shall, in addition to its other remedies, have the right to pursue any other remedy at law or in equity against the Owner who fails to pay any Assessment or charge against the Unit or Fractional Interest.

6.10 **Lien Priority: Foreclosure.** A lien for Assessments is prior to all other liens and encumbrances on a Unit or Fractional Interest except (i) liens and encumbrances recorded before the Declaration, (ii) any first mortgage on the Unit or Fractional Interest, and (iii) liens for real estate taxes and other governmental Assessments or charges against the Unit or Fractional Interest. Notwithstanding the foregoing, if (1) a first mortgage on a Unit or Fractional Interest is foreclosed, (2) the first mortgage was recorded on or after the date of recording of this Declaration, and (3) no Owner redeems during the Owner's period of redemption provided by Minnesota Statutes Chapters 580, 581, or 582, then the holder of the sheriff's certificate of sale from the foreclosure of the first mortgage shall take title to the Unit or Fractional Interest subject to unpaid Assessments for Common Expenses levied pursuant to Sections 515B.3-1151(a), (e)(1) to (3), (f), and (i) of the Act which became due, without acceleration, during the six months immediately preceding the first day following the end of the Owner's period of redemption.

6.11 **Voluntary Conveyances: Statement of Assessments.** In a voluntary conveyance of a Unit the buyer shall not be personally liable for any unpaid Assessments and other charges made by the Association against the seller or the seller's Unit prior to the time of conveyance to the buyer, unless expressly assumed by the buyer. However, the lien of such Assessments shall remain against the Unit until satisfied. Any seller or buyer shall be entitled to a statement, in recordable form, from the Association setting forth the amount of the unpaid Assessments against the Unit, including all Assessments payable in the Association's current fiscal year, which statement shall be binding on the Association, seller and buyer.

SECTION 7
RESTRICTIONS ON USE OF PROPERTY

All Owners and Occupants, and all secured parties, by their acceptance or assertion of an interest in the Property, or by their occupancy of a Unit, covenant and agree that, in addition to any other restrictions which may be imposed by the Act or the Governing Documents, the occupancy, use, operation, alienation and conveyance of the Property shall be subject to the following restrictions:

7.1 **General.** The Property shall be owned, conveyed, encumbered, leased, used and occupied subject to the Governing Documents and the Act, as amended from time to time, and the provisions of the Commercial Resort Easement, as applicable. All covenants, restrictions and obligations set forth in the Governing Documents are in furtherance of a plan for the Property, and shall run with the Property and be a burden and benefit to all Owners and Occupants and to any other Person acquiring or owning an interest in the Property, their heirs, personal representatives, successors and assigns.

7.2 **Subdivision Prohibited; Alteration of Unit Boundaries.** Except as permitted by the Act and Section 16 below, no Unit nor any part of the Common Elements may be subdivided or partitioned without the prior written approval of all Owners and all secured parties holding first mortgages on the Units. Boundary lines of Units may be modified with the consent of the Board and the Owner of the Unit whose boundaries are being changed, in accordance with the requirements of the Act.

7.3 **Use.** The Units shall be used by Owners, Occupants, and their guests exclusively for commercial resort purposes and for no other purpose. No changes in the use of the Property shall be made without prior receipt of all appropriate governmental approvals and the approval of the Resort Owner.

7.4 **Commercial Resort Easement Fee.** All Units in the Property must pay the Resort Owner the Commercial Resort Easement Fee, which is a mandatory annual fee established each year by the Resort Owner for the privilege of using the Managed Property Recreational Facilities; provided, however, if rental of a Unit is managed through the Managed Property Rental Program through the Resort Owner or the Resort Management Agent, the annual Commercial Resort Easement Fee shall be waived for that Unit for that year. As of the Effective Date, the annual Commercial Resort Easement Fee is Thirty-Five Thousand and no/100ths Dollars ($35,000.00) per Unit.

7.5 **Required Unit Rental.** Recognizing that the primary purpose of developing the Property is to provide resort and transient lodging, short-term accommodations, commercial temporary and seasonal residential occupancy for recreation and vacation purposes as part of the Resort, and consistent with County Requirements, the rental of all completed Dwellings located

on Units shall be subject to and in accordance with the rental requirements and restrictions herein.

7.6 **Parking.** Subject to the provisions of the Commercial Resort Easement, parking areas on the Property shall be used only for parking of vehicles owned or leased by Owners, Occupants, and their guests, and such other incidental uses as may be authorized in writing by the Association. The use of driveways and other parking areas on the Property, and the types of vehicles and personal property permitted thereon, shall be subject to regulation by the Association, including without limitation the right of the Association to tow illegally parked vehicles or to remove unauthorized personal property.

7.7 **Storage.** Outside storage of any items, including, but without limitation, sporting equipment, ski tubes, toys, outdoor cooking equipment, yard tools and equipment and trash and garbage containers, shall not be allowed, except as approved by the Board. Trash and garbage shall be regularly collected and may be kept outside only if in tightly covered containers. No watercraft, automobiles, snowmobiles, fish houses, trailers, camping vehicles, recreational vehicles, tractor/trailers, buses, or trucks shall at any time be stored on the Property, except that ski tubes, boats, snowmobiles, and trailers in regular use may be temporarily parked in the designated parking area for said purposes for a period not to exceed 7 days. Outside storage shall be permitted for Resort operations in accordance with the provisions of the Commercial Resort Easement, but said outside storage shall be neat, tidy, and consistent with the operation of the Resort.

7.8 **Animals.** No animals may be bred, or kept or maintained for business or commercial purposes, anywhere on the Property. However, the Board shall have the exclusive authority to prohibit, or to allow and regulate, by Rules and Regulations, the keeping of animals on the Property. The word "animal" shall be construed in its broadest sense and shall include all living creatures except humans and plants.

7.9 **Quiet Enjoyment; Interference Prohibited.** All Owners and Occupants and their guests shall have a right of quiet enjoyment in their respective Units. Owners and Occupants shall use the Property in such a manner as will not cause a nuisance, nor unduly restrict, interfere with or impede the use of the Building and quiet enjoyment of the Property by other Owners and Occupants and their guests.

7.10 **Compliance with Law.** No use shall be made of the Property which would violate any then-existing municipal codes or ordinances, or state or federal laws, nor shall any act or use be permitted which could cause waste to the Property, cause a material increase in insurance rates on the Property, or otherwise cause any unusual liability, health or safety risk, or expense, for the Association or any Owner or Occupant.

7.11 **Architectural Standard.** Except as expressly permitted by this Section 7.11, no modifications, improvements, repairs or replacements of any type, temporary or permanent, structural, aesthetic or otherwise (collectively referred to as "Improvements"), including but not limited to, any structure, building, addition, deck, patio, fence, wall, enclosure, window, door, antenna or other type of sending or receiving apparatus, sign, flag, display, decoration, color change, shrubbery, material topographical or landscaping change, shall be made, or caused or allowed to be made, by any Owner or Occupant, or their invitees, in any part of the Common Elements, or to any part of the exterior of a Building, without: (i) the prior written authorization of the Board, or if an architectural committee has been appointed by the Board, that architectural committee; and (ii) compliance with the requirements of this Section.

7.11.1 The Board may appoint, supervise and disestablish an architectural committee, and specifically delegate to it part or all of the functions which the Board exercises under this Section, in which case the references to the Board shall refer to the architectural committee where appropriate. The architectural committee shall be subject to the supervision of the Board. So long as the Commercial Resort Easement exists, the Resort Owner shall have the right to be a member of the committee, or to appoint one of its Affiliates as a member of the committee.

7.11.2 The Board shall have authority to establish reasonable forms and procedures for applying for authorization for Improvements, and reasonable requirements for Improvements, and shall be the sole judge of whether the criteria are satisfied, subject to any restrictions imposed by any applicable governmental laws, codes, ordinances or regulations.

7.11.3 The purpose of the requirements established by the Board shall be (i) to preserve the architectural style, the quality and the value of the Property, (ii) the rentability of the Units, (iii) to maintain consistency with the architectural and aesthetic design and quality of the Improvements with that of the Resort, and (iv) to protect the Association and the Owners from undue liability arising out of the Improvements or any construction activity in connection therewith.

7.11.4 Improvements may be made in compliance with Section 515B.2-113 of the Act, and relocation of the boundaries of Units may be made in compliance with Section 515B.2-114 of the Act.

7.11.5 Approval of Improvements which encroach upon another Unit or the Common Elements shall create an appurtenant easement for such encroachment in favor of the Unit with respect to which the Improvements are approved, notwithstanding any contrary requirement in the Governing Documents or the Act. A file of the Board or committee resolutions approving all Improvements shall be maintained permanently as a part of the Association's records.

7.11.6 The installation and use of antennas, satellite dishes and other comparable communications devices shall be governed by applicable federal and state laws and regulations, which shall control against the Governing Documents and the Rules.

7.11.7 An Owner who causes an Improvement to be made, regardless of whether the Improvement is approved by the Board, shall be solely responsible for the construction standards and specifications relating to the Improvement, and for the construction work. The Owner, and not the Association, is responsible for determining whether any improvement is in compliance with any requirements imposed by any governmental authority having jurisdiction over the Property. The Owner shall hold harmless, indemnify and defend the Association, and its officers and directors, from and against any expenses, claims, damages, losses or other liabilities, including without limitation attorneys' fees and costs of litigation, arising out of (i) any improvement which violates any governmental laws, codes, ordinances or regulations, (ii) the inadequacy of the specifications for construction of the Improvements, or (iii) defects in the construction of the Improvements.

7.11.8 Except for Section 7.11.7, this Section 7.11 shall not apply to Improvements to Units or Improvements thereon owned by Declarant prior to initial conveyance.

7.12 **Access to Units.** In case of emergency, all Owner's Units and Limited Common Elements are subject to entry, without notice and at any time, by an authorized officer or Director of the Association's Board, or by any public safety personnel. Entry is also authorized for maintenance, repair and replacement purposes under Sections 8 and 11 and for enforcement purposes under Section 13.

7.13 **Time Shares**. The time share form of ownership, or any comparable form of lease, occupancy rights or ownership which has the effect of dividing the ownership or occupancy of a Unit into separate time periods is prohibited, except as provided in Section 16.

SECTION 8
MAINTENANCE AND REPAIR

The following provisions shall govern the maintenance, repair and replacement of the Property.

8.1 **Association Responsibility.** The Association shall, at its expense, undertake and perform the maintenance, repair and replacement of all Common Elements, including Limited Common Elements, subject to the following qualifications:

8.1.1 The Association shall be responsible for repairing incidental damage caused to a Unit or its Limited Common Elements by work undertaken by the Association pursuant to this Section.

8.1.2 If damage is caused to the Common Elements, Limited Common Elements or other Units by an Owner or such Owner's occupants or guests, or by any condition in the Unit or Limited Common Elements which the Owner or Occupant has caused or allowed to exist, then the Association may repair the damage or correct the condition and assess the cost thereof against the responsible Owner's Unit.

8.1.3 The Owner, and not the Association, shall be responsible for the maintenance, repair and replacement of any drain, air conditioning equipment or other structures within the Owner's Unit that encroach upon or overhang the Common Elements.

8.1.4 The Resort Owner, and not the Association, shall be responsible for the maintenance, repair and replacement of the Managed Property Recreational Facilities located on the Common Elements from time to time.

8.2 **Responsibility of Resort.** The Resort Owner shall be responsible for the maintenance of the Managed Property Recreational Facilities located on Lot 4.

8.3 **Owner Responsibility.** The Owner shall, at his or her expense, be responsible for maintenance, repair and replacement as follows:

8.3.1 To maintain, repair, and replace all portions of the Owner's Unit, exterior and interior, in good, clean and sanitary condition. The Owner may be required to utilize or contract with specific vendors selected by the Association for the uniformity and enjoyment of the Owners and any and all guests.

8.3.2 To perform the maintenance obligations in such manner as not to damage the Property, or unreasonably disturb or cause a hazard to other persons occupying or using the Property.

8.3.3 To promptly pay or reimburse the Association for any costs incurred by the Association for the repair of any damage to the Common Elements, Limited Common Elements or other Units, caused by the Owner or Occupant, or their invitees, or caused by any condition in the Unit or Limited Common Elements which the Owner or Occupant has allowed to exist.

8.3.4 The Owner shall be responsible for the maintenance, repair and replacement of any drain, air conditioning equipment or other structures within the Owner's Unit that encroach upon or overhang the Common Elements.

The Association may require that the Owners perform their maintenance obligations in accordance with standards established by the Association.

8.4 **Restrictions on Changes to Property.** Except as permitted by Section 7.11, no Owner or Occupant shall:

8.4.1 Cause or permit any physical or aesthetic changes, whether temporary or permanent, to be made to another Unit or the Common Elements.

8.4.2 Cause or permit any physical changes to their Unit that could jeopardize or impair the weather-tight soundness or safety of improvements located on the Property.

8.4.3 Interfere with any easement including, but not limited to, the Commercial Resort Easement.

8.5 **Duty to Report Defects.** Owners or Occupants shall promptly report to the Association any defect or need for repair to the Common Elements or Limited Common Elements.

8.6 **Easements for Maintenance, Repair and Replacement.** Each Unit, the Common Elements and Limited Common Elements are subject to appurtenant easements in favor of the Association, for maintenance, repair, replacement and reconstruction of the Common Elements, and Limited Common Elements. Each Owner shall afford to the Association and its management agents and employees, access at reasonable times and upon reasonable notice, to and through the Owner's Unit and its Limited Common Elements for maintenance, repair and replacement; provided that access may be had without notice and at any time in case of emergency.

SECTION 9
MANAGED PROPERTY RECREATIONAL FACILITIES

9.1 AllOwners that properly enroll in the Managed Property Rental Program and their guests shall have the right to access and utilize the Managed Property Recreational Facilities on terms and conditions and at rates established by the Resort Owner or the Resort Operator pursuant to the Commercial Resort Easement.

SECTION 10
INSURANCE

10.1 **Required Coverage.** The Association shall obtain and maintain, at a minimum, a master policy or policies of insurance in accordance with the insurance requirements set forth in the Act and the additional requirements set forth herein, issued by a reputable insurance company or companies authorized to do business in the State of Minnesota, as follows:

10.1.1 Property insurance in broad form special perils coverage covering physical loss for the full insurable replacement costs of the improvements on the

Common Elements that the Association is obligated to maintain, less deductibles, exclusive of land, footings, excavation and other items normally excluded from coverage (but including all building service equipment and machinery). The policy or policies shall cover personal property owned by the Association and shall name the Association as the named insured. The policy or policies shall also contain "Inflation Guard" and "Agreed Amount" endorsements, if reasonably available.

10.1.2 Comprehensive public liability insurance covering the ownership, existence, use, operation or management of the Property, with minimum limits of $1,000,000 per occurrence, against claims for death, bodily injury and property damage, and such other risks as are customarily covered by such policies for projects similar in construction, location, and use to the Subject Property. Owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use, operation or management of the Common Elements. The policy shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an owner or occupant of a Unit because of the negligent acts of the Association or other owners or occupants and shall cover claims of one or more insured parties against other insured parties.

10.1.3 Fidelity bond or insurance coverage against dishonest acts on the part of directors, officers, managers, trustees, employees or persons responsible for handling funds belonging to or administered by the Association if deemed to be advisable by the Board. The fidelity bond or insurance shall name the Association as the named insured. An appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers, or a waiver of defense based upon the exclusion of persons serving without compensation shall be added.

10.1.4 Worker's compensation insurance, as applicable and required by law.

10.1.5 Directors and officers liability insurance with such reasonable limits and coverages as the Board shall determine from time to time.

10.1.6 Policies carried pursuant to Sections 10.1.1 and 10.1.2 shall provide that:

10.1.6.1 Each Member and any secured party of the Member's Unit is an insured person under the policy with respect to liability arising out of the Member's interest in the Common Elements or the Member's membership in the Association;

10.1.5.2 The insurer waives its rights to subrogation under the policy against any Member (or members of Member's household) and against the Association and Directors;

10.1.5.3 No act or omission by any Member or secured party, unless acting within the scope of authority on behalf of the Association, shall void the policy or be a condition to recovery under the policy; and

10.1.5.4 The Association's policy shall be the primary insurance if, at the time of a loss under the policy, there is other insurance in the name of a Member covering the same property covered by the Association's policy.

10.2 **Association Coverage of Units.** In addition to casualty insurance on the Common Elements, the Association, through the Board of Directors, may elect to: (i) obtain and continue in effect, on behalf of all Owners, adequate broad-form blanket casualty and fire insurance in such form as the Board of Directors deems appropriate in an amount equal to the full replacement value, without deduction for depreciation or coinsurance, of all of the Buildings, including the structural portions and fixtures thereof but exclusive of land, footings, excavation and other items normally excluded from coverage, owned by such Owners; or (ii) require each Owner to obtain and maintain in effect property insurance meeting these requirements on the Owner's Unit or Fractional Interest. Insurance premiums from a blanket insurance coverage maintained, and any insurance coverage with respect to the buildings shall be written in the name of, and the proceeds thereof shall be payable to the Association as trustee for the Owners.

10.3 **Replacement or Repair of Property.** Subject to Section 10.6, any portion of the Property that has been damaged or destroyed by a loss covered by the Association's insurance shall be promptly repaired or replaced by the Association unless (i) the common interest community is terminated; (ii) such repair or replacement would be illegal; or (iii) Members holding at least 80% of the voting power of the Association (including every Member and first mortgagee on a Unit which shall not be rebuilt) vote not to rebuild. If less than the entire Property is repaired or replaced, the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Community, the proceeds attributable to Units which are not rebuilt shall be distributed to the owners of those Units and the secured parties of those Units, as their interests may appear, and the remainder of the proceeds shall be distributed to all Owners and secured parties as their interests may appear, in proportion to their common expense liability. The cost of repair or replacement of Common Elements in excess of insurance proceeds and reserves shall be paid as a common expense, and the cost of repair of a Unit in excess of insurance proceeds shall be paid by the respective Unit Owner.

10.4 **Cancellation; Notice of Loss.** All policies of property insurance and comprehensive liability insurance maintained by the Association shall provide that the policies shall not be cancelled or substantially modified, for any reason, without at least 30 days' prior written notice to the Association, all of the insureds, and all mortgagees of Units.

10.5 **Review of Policies.** All insurance policies shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is

sufficient to make any necessary repairs or replacement of the property which may have been damaged or destroyed.

10.6 **Property Insurance by Owner.** If the Association does not elect to maintain blanket casualty and fire insurance pursuant to Section 10.2, then the Owner of a Unit shall carry, maintain, and timely pay the premium or premiums on a policy of fire, extended coverage, vandalism, and malicious mischief insurance on that Unit, with special perils coverage endorsement. Such insurance shall cover a minimum of the entire replacement cost of the improvements on such Unit and shall provide for at least ten (10) days' notice to the Board of Directors of the Association before cancellation or material change in such insurance. In the event of damage or destruction to a Unit under such circumstances, the Owner shall be responsible for promptly repairing the damage or reconstructing the improvements within the Unit in conformance with plans reasonably approved by the Association's Board.

10.7 **Reallocation of Interests for Destroyed Units.** If a Building is not rebuilt after a casualty because the requirements of Section 10.3 are satisfied, the entire interest in the Common Elements, votes in the Association and common expense liability allocable to the Unit in which that building was located are automatically reallocated as if the Unit had been condemned, and the Association shall promptly prepare, execute and record an amendment to the Declaration reflecting the reallocations.

SECTION 11
RECONSTRUCTION, CONDEMNATION AND EMINENT DOMAIN

11.1 **Reconstruction.** The obligations and procedures for the repair, reconstruction or disposition of the Property following damage or destruction thereof shall be governed by the Act. Any repair or reconstruction shall be substantially in accordance with the plans and specifications of the Property as initially constructed and subsequently improved. Notice of substantial damage or destruction shall be given as provided in Section 18.4.

11.2 **Condemnation and Eminent Domain.** In the event of a taking of any part of the Property by condemnation or eminent domain, the provisions of the Act shall govern; provided (i) that notice shall be given as provided in Section 15.10, (ii) that the Association shall be the attorney-in-fact to represent the Owners in any related proceedings, negotiations, settlements or agreements, and (iii) that any awards or proceeds shall be payable to the Association for the benefit of the Owners and the mortgagees of their Units. Eligible Mortgagees shall be entitled to priority for condemnation awards in accordance with the priorities established by the Act and the Governing Documents, as their interests may appear.

11.3 **Termination and Liquidation.** The termination of the common interest community, and the distribution of any proceeds therefrom, shall be governed by the Act. Any distribution of funds shall be based upon the value of the Units as determined by their relative

value for property insurance purposes and shall be made to Owners and their mortgage holders, as their interests may appear, as provided in the Act.

11.4 **Notice.** The Association shall give written notice of any condemnation proceedings or substantial destruction of the Property to the Eligible Mortgagees entitled to notice under Section 15.10.

11.5 **Association's Authority.** In all cases involving reconstruction, condemnation, eminent domain, termination or liquidation of the common interest community, the Association shall have authority to act on behalf of the Owners in all proceedings, negotiations and settlement of claims. All proceeds shall be payable to the Association to hold and distribute for the benefit of the Owners and their mortgage holders, as their interests may appear, in accordance with the Act.

SECTION 12
EASEMENTS

The following easement provisions shall supplement and explain the easements referred to in Section 2.

12.1 **Easement for Encroachments.** Each Unit and the Common Elements, and the rights of the Owners and Occupants therein, shall be subject to an exclusive easement in favor of the adjoining Units for encroachments caused by the construction, reconstruction, repair, shifting, settlement or movement of any part of the Property, and for Improvements which are added in compliance with Section 7.11. If there is an encroachment by a Unit or Improvement to a Unit upon another Unit as a result of any of the aforementioned causes, an appurtenant easement for the encroachment, for the use, enjoyment and habitation of any encroaching Unit or Improvement, and for the maintenance thereof, shall exist. However, with respect to Improvements or alterations added pursuant to Section 7.11, no easement shall exist unless the Improvements have been approved and constructed as required by this Declaration. Such easements shall continue for as long as the encroachment exists and shall not affect the marketability of title.

12.2 **Easement for Maintenance, Repair, Replacement and Reconstruction.** Each Unit, and the rights of the Owners and Occupants thereof, shall be subject to the rights of the Association to an exclusive, appurtenant easement through the Units for the purposes of maintenance, repair, replacement and reconstruction of the Property and improvements located within the Units, and utilities serving the Units, to the extent necessary to fulfill the Association's obligations under the Governing Documents.

12.3 **Utility, Service and Operating Systems.** The Property shall be subject to nonexclusive, appurtenant easements in favor of all public utility companies and other utility providers for the installation, use, maintenance, repair and replacement of all utilities, services

and common operating systems such as natural gas, electricity, cable TV, internet and other electronic communications (whether or not the then current Owner of a Unit intends to use such cable or communication service), water, sewer, septic systems, wells, irrigations systems, fire control systems and similar services, and metering and control devices, which exist or are constructed as part of the development of the Property, or which are referred to in the Plats or otherwise described in this Declaration or other recorded instruments. Each Unit, and the rights of the Owners and Occupants thereof, shall also be subject to a non-exclusive, appurtenant easement in favor of the other Units for all such utilities and services. Utilities and related services or systems shall be installed, used, maintained and repaired so as not to interfere with the use and quiet enjoyment of the Units by the Owners and Occupants, nor affect the structural or architectural integrity of the Property.

12.4 **Emergency Access to Units.** In case of emergency, all Units, improvements thereon, and Limited Common Elements are subject to an easement for access, without notice and at any time, by: (i) an authorized officer or director of the Association's Board, (ii) the Manager, or (iii) any public safety personnel. The Board may require that an Owner or Occupant leave keys to the Unit with another Owner of his or her choice and to advise the Board of the location(s) of the keys, so as to allow access for emergencies when the Owner or Occupant is absent for extended periods.

12.5 **Project Sign Easements.** The Association shall have the right to erect and maintain monument signs identifying the common interest community and related decorative improvements on the Common Elements. Those parts of the Property on which monument signs or related decorative improvements are located shall be subject to appurtenant, exclusive easements in favor of the Association for the continuing use, maintenance, repair and replacement of said signs and improvements. In exercising its rights under said easements, the Association shall take reasonable care to avoid damaging the improvements to the Property and shall repair any damage caused by such actions.

12.7 **Scope and Non-Interference.** The easements set forth in this Section 12 shall supplement and not limit any easements described elsewhere in this Declaration, or as otherwise recorded against the Property, and shall include reasonable access to the easement areas through the Units and the Common Elements for purposes of maintenance, repair, replacement and reconstruction. No Person shall impair, obstruct or cause damage to any easement area, or improvements or equipment installed therein. Notwithstanding anything in this Declaration to the contrary, no Owner or Occupant shall be denied reasonable access to his or her Unit or the right to utility services thereto.

12.8 **Commercial Resort Easement.** This Declaration is and shall remain subordinate to the Commercial Resort Easement (including the Commercial Resort Rules and any amendments to the Commercial Resort Easement entered into from time to time) without the need for any further action by the Association or the Resort Owner, and the Commercial Resort Easement shall be paramount to all other easements now or hereinafter existing with

respect to the Property. If there is a conflict between this Declaration, the Commercial Resort Easement and other easements affecting the Property, the Commercial Resort Easement shall control. All Owners shall take title subject to the easements referenced in this Declaration and the Commercial Resort Easement. The Commercial Resort Easement may not be amended or terminated without the written consent of the Resort Owner. The Commercial Resort Easement shall be interpreted in its broadest sense and shall include the right of the Resort Owner or the Resort Operator to engage in or do any act reasonably necessary or desirable to conduct a commercial resort enterprise to benefit the Owners and guests of the Property and/or the Resort.

SECTION 13
COMPLIANCE AND REMEDIES

Each Owner and Occupant, and any other Person owning or acquiring any interest in the Property, shall be governed by and comply with the provisions of the Act, the Governing Documents, the Rules and Regulations, and such amendments thereto as may be made from time to time, and the decisions of the Association. A failure to comply shall entitle the Association to the relief set forth in this Section, in addition to the rights and remedies authorized elsewhere by the Governing Documents and the Act.

13.1 **Entitlement to Relief.** Legal relief may be sought by the Association against any Owner, or by an Owner against the Association or another Owner, to enforce compliance with the Governing Documents, the Rules and Regulations, the Act or the decisions of the Association. However, no Owner may withhold any Assessments payable to the Association, nor take or omit other action in violation of the Governing Documents, the Rules and Regulations or the Act, as a measure to enforce such Owner's position, or for any other reason.

13.2 **Remedies.** In addition to any other remedies or sanctions, expressed or implied, administrative or legal, the Association shall have the right, but not the obligation, to implement any one or more of the following actions against Owners and Occupants and/or their guests, who violate the provisions of the Governing Documents, the Rules and Regulations or the Act:

13.2.1 Commence legal action for damages or equitable relief in any court of competent jurisdiction.

13.2.2 Impose late charges of up to the greater of $25, or 15% of the amount past due, for each past due Assessment or installment thereof, and impose interest at the highest rate permitted by law accruing beginning on the first day of the month after the Assessment or installment was due.

13.2.3 In the event of default of more than 30 days in the payment of any Assessment or installment thereof, all remaining installments of Assessments assessed against the Unit owned by the defaulting Owner may be accelerated and shall then be payable in full if all delinquent Assessments or installments thereof, together with all

attorneys' fees, costs of collection and late charges, are not paid in full prior to the effective date of the acceleration. Not less than 10 days' advance written notice of the effective date of the acceleration shall be given to the defaulting Owner.

13.2.4 Impose reasonable fines, penalties or charges for each violation of the Act, the Governing Documents or the Rules and Regulations.

13.2.5 Suspend the rights of any Owner or Occupant and their guests to use any Common Element amenities or Managed Property Recreational Facilities; provided, that the suspension of use rights shall not apply to Limited Common Elements or those portions of the Common Elements providing utilities service and access to the Unit. Such suspensions shall be limited to periods of default by such Owners and Occupants in their obligations under the Governing Documents, and for up to 30 days thereafter, for each violation.

13.2.6 Restore any portions of any Common Elements, Unit, or Limited Common Elements damaged or altered, or allowed to be damaged or altered, by any Owner or Occupant or their guests in violation of the Governing Documents, and to assess the cost of such restoration against the responsible Owners and their Units.

13.2.7 Enter any Unit, improvement thereon, or Limited Common Element in which, or as to which, a violation or breach of the Governing Documents exists which materially and adversely affects, or is reasonably likely to materially and adversely affect in the imminent future, the health or safety of the other Owners or Occupants, or their guests, or the safety or soundness of any Unit or other part of the Property or the property of the Owners or Occupants, and to summarily abate and remove, at the expense of the offending Owner or Occupant, any structure, thing or condition in the Unit, any improvement thereon, or Limited Common Elements which is causing the violation; provided, that any improvements which are a part of a Unit may be altered or removed only pursuant to a court order or with the agreement of the Owner.

13.2.8 Foreclose any lien arising under the provisions of the Governing Documents or under law, in the manner provided by the Act.

13.3 **Rights to Hearing.** Before the imposition of any of the remedies authorized by Section 13.2.4, 13.2.5, 13.2.6 or, except in an emergency Section 13.2.7, the Board shall, upon written request of the offender, grant to the offender an opportunity for a fair and equitable hearing as contemplated by the Act. The offender shall be given notice of the nature of the violation and the right to a hearing, and at least 10 days within which to request a hearing. The hearing shall be scheduled by the Board and held within 30 days of receipt of the hearing request by the Board, and with at least 10 days' prior written notice to the offender. If the offender fails to timely request a hearing or to appear at the hearing, then the right to a hearing shall be deemed waived and the Board may take such action as it deems appropriate. The decision of the Board

and the rules for the conduct of hearings established by the Board shall be final and binding on all parties. The Board's decision shall be delivered in writing to the offender within 10 days following the hearing, if not delivered to the offender at the hearing.

13.4 **Lien for Assessments, Charges, Etc.** Any Assessments, charges, fines, expenses, penalties or interest imposed under this Section shall be a lien against the Unit of the Owner or Occupant against whom the same are imposed and the personal obligation of such Owner in the same manner and with the same priority and effect as Assessments under Section 6. The lien shall attach as of the date of imposition of the remedy, but shall not be final as to violations for which a hearing is held until the Board makes a written decision at or following the hearing. All remedies shall be cumulative, and the exercise of, or failure to exercise, any remedy shall not be deemed a waiver of the Association's right to pursue any others.

13.5 **Costs of Proceedings and Attorneys' Fees.** With respect to any collection measures, or any measures or action, legal, administrative, or otherwise, which the Association takes to enforce the provisions of the Act, Governing Documents or Rules and Regulations, whether or not finally determined by a court or arbitrator, the Association may assess the Unit owned by the violator with any expenses incurred in connection with such enforcement, including without limitation fines or charges previously imposed by the Association, reasonable attorneys' fees, and interest (at the highest rate allowed by law) on the delinquent amounts owed to the Association, subject to the requirements of Section 515B.3-102(a)(11) and (c). Such expenses shall also include any collection or contingency fees or costs charged to the Association by a collection agency or other Person acting on behalf of the Association in collecting any delinquent amounts owed to the Association by an Owner or Occupant. Such collection or contingency fees or costs shall be the personal obligation of the Owner and shall be a lien against the Owner's Unit.

13.6 **Liability for Acts of Owners and Occupants.** An Owner shall be liable for the expense of any maintenance, repair or replacement of the Property rendered necessary by such Owner's acts or omissions, or by that of Occupants or guests in the Owner's Unit, to the extent that such expense is not covered by the proceeds of insurance carried by the Association or such Owner or Occupant. However, any insurance deductible amount and/or increase in insurance rates, resulting from the Owner's acts or omissions may be assessed against the Owner responsible for the condition and against his or her Unit.

13.7 **Enforcement by Owners.** The provisions of this Section shall not limit or impair the independent rights of other Owners to enforce the provisions of the Governing Documents, the Rules and Regulations, and the Act as provided therein.

SECTION 14
AMENDMENTS

14.1 **Approval Requirements.** This Declaration may be amended only by the approval of:

14.1.1 The affirmative vote of the Owners of Units to which are allocated at least 67% of the total votes in the Association;

14.1.2 The Resort Owner, as to any amendment which directly or indirectly affects or may affect Resort Owner's rights and liabilities under the Commercial Resort Easement and as to any amendment which directly or indirectly affects or may affect the Resort's commercial resort operations;

14.1.3 The Declarant, for so long as Declarant owns any unsold Unit for sale.

14.1.4 The percentage of Eligible Mortgagees (based upon one vote per Unit financed) required by Section 15 as to certain amendments referred to in said Section.

14.2 **Procedures.** Approval of the Owners may be obtained in writing or at a meeting of the Association duly held in accordance with the Bylaws. Consents of Eligible Mortgagees or Declarant, if required, shall be in writing. Any amendment shall be subject to any greater requirements imposed by the Act. The amendment shall be effective when recorded as provided in the Act. An affidavit by the Secretary of the Association as to the outcome of the vote, or the execution of the foregoing agreements or consents, shall be adequate evidence thereof for all purposes, including without limitation, the recording of the amendment.

SECTION 15
RIGHTS OF ELIGIBLE MORTGAGEES

Notwithstanding anything to the contrary in the Governing Documents, but subject to the Act or other laws, Eligible Mortgagees shall have the following rights and protections:

15.1 **Consent to Certain Amendments.** The written consent of Eligible Mortgagees representing at least 51% of the Units that are subject to first mortgages held by Eligible Mortgagees (based upon one vote per Unit financed) shall be required for any amendment to the Governing Documents which causes any change in provisions including the following: (i) voting rights; (ii) increases in Assessments over 25%; (iii) Assessment liens, or priority of Assessment liens; (iv) reductions in reserves for maintenance, repair and replacement of Common Elements; (v) responsibility for maintenance and repairs; (vi) reallocation of interests in the Common Elements or Limited Common Elements, or rights to their use; (vii) redefinition of any Unit boundaries; (viii) convertibility of Units into Common Elements or vice versa; (ix) expansion or contraction of the Property or the addition, annexation or withdrawal of property to or from the Property; (x) hazard or fidelity insurance requirements; (xi) imposition of material restrictions on the leasing of Units; (xii) imposition of any restrictions on an Owner's right to sell or transfer his or her Unit; (xiii) a decision by the Association (if the common interest

community involves fifty or more Units) to establish self-management when professional management is in effect as required previously by the Governing Documents or an Eligible Mortgagee; (xiv) restoration or repair of the Property (after a hazard damage or partial condemnation) in a manner other than that specified in the Governing Documents; (xv) any action to terminate the legal status of the common interest community after substantial destruction or condemnation occurs; or (xvi) any provisions that expressly benefit Eligible Mortgagees, or insurers or guarantors of mortgages.

15.2 **Consent to Certain Actions.** Subject to Section 17, the written consent of Eligible Mortgagees representing at least 51% of the Units that are subject to first mortgages held by Eligible Mortgagees (based upon one vote per Unit financed) shall be required to (i) abandon or terminate the common interest community; (ii) change the allocations of voting rights, Common Expense obligations or interests in the Common Elements; (iii) partition or subdivide a Unit except as permitted by the Act; (iv) abandon, partition, subdivide, encumber or sell any Common Elements; or (v) use hazard insurance proceeds for other than the repair, replacement or reconstruction of the Property, except as otherwise provided by law.

15.3 **Consent to Subdivision.** No Unit may be partitioned or subdivided without the prior written approval of the Owner and Eligible Mortgagee thereof, and the Association.

15.4 **No Right of First Refusal.** The right of an Owner to sell, transfer or otherwise convey his or her Unit shall not be subject to any right of first refusal or similar restrictions.

15.5 **Priority of Lien.** Any Person who comes into possession of a Unit by foreclosure of the first mortgage on a Unit, or by deed or assignment in lieu of foreclosure of the first mortgage on a Unit, takes the Unit free of any claims for unpaid Assessments or any other charges or liens imposed against the Unit by the Association which have accrued against such Unit prior to the acquisition of possession of the Unit by said Person, except as provided in Section 6.10 and the Act, and provided that any unreimbursed Assessments or charges may be reallocated among all Units in accordance with their interests in the Common Elements.

15.6 **Priority of Taxes and Other Charges.** All taxes, Assessments and charges which may become liens prior to the first mortgage under state law shall relate only to the individual Units and not to the Property as a whole.

15.7 **Priority for Condemnation Awards.** No provision of the Governing Documents shall give an Owner, or any other party, priority over any rights of the Eligible Mortgagee of the Unit pursuant to its mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Unit and/or the Common Elements. The Association shall give written notice to all Eligible Mortgagees of any condemnation or eminent domain proceeding affecting the Property promptly upon receipt of notice from the condemning authority.

15.8 **Access to Books and Records/Audit.** Eligible Mortgagees shall have the right to examine the books and records of the Association upon reasonable notice, for a proper purpose and during normal business hours, and to receive free of charge, upon written request, copies of the Association's annual reports and other financial statements. Financial statements, including those which are audited, shall be available within 120 days of the end of the Association's fiscal year. Any institutional guarantor or insurer of a mortgage loan against a Unit, may require that, at its own expense, an audit of the Association's financial statements be made for the preceding year, in which case the Association shall cooperate in having an audit made and a copy given to the requesting party.

15.10 **Notice Requirements.** Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor of a mortgage on a Unit, and the Unit number or address, the holder, insurer or guarantor shall be entitled to timely written notice of:

15.10.1 a condemnation loss or any casualty loss which affects a material portion of the Property or the Unit securing the mortgage;

15.10.2 a 60-day delinquency in the payment of Assessments or charges owed by the Owner of a Unit on which it holds a mortgage;

15.10.3 a lapse, cancellation or material modification of any insurance policy maintained by the Association; and

15.10.4 a proposed action which requires the consent of a specified percentage of Eligible Mortgagees.

SECTION 16
FRACTIONAL INTERESTS

For so long as the Declarant owns a Unit, Declarant shall have the right, without the approval or consent of the Association or the Owners, to divide the ownership of any one or more Units into Fractional Interests, as follows:

16.1 **Fractional Interests**. Declarant shall have the right to divide the ownership of any one of more Units into Fractional Interests, including (with the Unit Owner's written consent) Units already conveyed by Declarant to an Owner other than the Declarant.

16.2 **No Assurances**. There are no assurances as to the times at which one or more of the Units may be divided into Fractional Interests. Declarant is under no obligation to divide any one or more of the Units into Fractional Interests.

16.3 **Allocation of Votes and Common Expense Obligations**. Upon such division, the allocation of votes and Common Expense obligations allocated to the Unit will be fractionalized among the Fractional Interests, as set forth in the declaration or other instrument creating the subdivision of the Unit or Units into Fractional Interests.

16.4 **Association Lien**. The Association lien for any Assessments levied against a Fractional Interest will apply only to the Fractional Interest and not to the other Fractional Interests in the Unit.

16.5 **First Mortgage**. A Person owning a recorded mortgage on any Fractional Interest, which mortgage is a first in priority upon foreclosure to all other mortgages that encumber such Fractional Interest, and which has met the notice requirements set forth in Section 1, shall be deemed an Eligible Mortgagee for all purposes under this Declaration.

16.6 **Notice**. Any notice required to be made to a Unit Owner under this Declaration shall be provided to the Owners of each Fractional Interest.

16.7 **Rights and Obligations**. Except as otherwise set forth in this Declaration, the Owners of Fractional Interests will have the same rights and obligations as all other Owners, except that the right of the Owner of a Fractional Interest to use the Common Elements may be limited to those intervals of time during which the Fractional Interest Owner is permitted to use the Unit, as set forth in the declaration or other instrument creating the Fractional Interests.

16.8 **Maximum Number of Fractional Interests**. No Unit may be subdivided into more than four (4) Fractional Interests, and the total number of Fractional Interests created with the Property may not exceed 48.

SECTION 17
SPECIAL DECLARANT RIGHTS

Declarant hereby reserves exclusive and unconditional authority to exercise the following Special Declarant Rights within the meaning of Section 515B.1-103 (33b) of the Act for so long as it owns a Unit, or for such shorter period as may be specifically indicated:

17.1 **Complete Improvements.** To complete improvements indicated on the Plats, planned by the Declarant consistent with the disclosure statement or authorized by Crow Wing County, and to have and use easements for itself and its employees, agents, and contractors through the Common Elements for such purposes.

17.2 **Sales Offices and Signs.** To maintain and use sales offices, management offices, signs advertising the common interest community and offering Units for sale or lease, and to have and use easements for itself and its employees, agents, and invitees through the Common Elements for such purposes.

17.3 **Control of Association.** To control the operation and administration of the Association, including without limitation the power to appoint and remove the members of the Board pursuant to Section 515B.3-103 of the Act, until the earliest of: (i) voluntary surrender of control by Declarant, (ii) an Association meeting which shall be held within sixty (60) days after conveyance to Owners other than a Declarant of seventy-five percent (75%) of the Units included in the Property or (iii) the date five (3) years following the date of the first conveyance of a Unit

to an Owner other than a Declarant. Notwithstanding the foregoing, the Owners other than a Declarant shall have the right to nominate and elect not less than thirty-three and one-third percent (33 1/3%) of the directors at a meeting of the Owners which shall be held within sixty (60) days following the conveyance by Declarant of fifty percent (50%) of the Units included in the Property.

17.4 **Consent to Certain Amendments.** Until such time as Declarant no longer owns any Unit for initial sale, Declarant's written consent shall be required for any amendment to the Governing Documents or Rules and Regulations which directly or indirectly affects Declarant's rights under the Governing Documents or the Act.

17.5 **Alternate Common Expense Plan.** The Declarant shall have the right to utilize an alternate common expense plan as described in Section 515B.3-115(a)(2) of the Act and in Section 6.7 of this Declaration.

17.6 **Declarant Consent to Improvements.** Declarant shall have the right to review, and approve or disapprove, the exterior features of buildings and other structures, landscaping and other exterior improvements, located within the common interest community, and any modifications or alterations thereto.

SECTION 18
MISCELLANEOUS

18.1 **Severability.** If any term, covenant, or provision of this instrument or any exhibit attached hereto is held to be invalid or unenforceable for any reason whatsoever, such determination shall not be deemed to alter, affect or impair in any manner whatsoever any other portion of this Declaration or exhibits attached hereto.

18.2 **Construction.** Where applicable, the masculine gender of any word used herein shall mean the feminine or neutral gender, or vice versa, and the singular of any word used herein shall mean the plural, or vice versa. References to the Act, or any section thereof, shall be deemed to include any statutes amending or replacing the Act, and the comparable sections thereof.

18.3 **Tender of Claims.** In the event that any incident occurs which could reasonably give rise to a demand by the Association against Declarant for indemnification pursuant to the Act, the Association shall promptly tender the defense of the action to its insurance carrier, and give Declarant (i) written notice of such tender, (ii) written notice of the specific nature of the action, and (iii) an opportunity to defend against the action.

18.4 **Notices.** Unless specifically provided otherwise in the Governing Documents or the Act, all notices required to be given by or to the Association, the Board, the Association officers, or the Owners or Occupants shall be in writing and shall be effective upon: (i) electronic delivery, but only if the recipient has consented in writing to receiving notices by electronic means; (ii) hand delivery; or (iii) mailing if properly addressed with postage prepaid and

deposited in the United States mail. Notwithstanding the foregoing, registrations pursuant to Section 2.2 of the Bylaws shall be effective only upon receipt by the Association.

18.5 **Conflicts Among Documents.** In the event of any conflict among the provisions of the Act, the Declaration, the Bylaws and any Rules or Regulations, the Act shall control. As among the Declaration, the Bylaws and any Rules and Regulations, the Declaration shall control, and as between the Bylaws and any Rules and Regulations, the Bylaws shall control.

18.6 **Duration of Covenants.** The covenants, conditions, restrictions, easements, liens and charges contained in this Declaration shall be perpetual, subject only to termination as provided in this Declaration and the Act.

IN WITNESS WHEREOF, the undersigned has executed this instrument the day and year first set forth in accordance with the requirements of the Act.

Blackburn IM Ruttgers SVP, LLC

By: _____
Its: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of April _____, 2026, by _____, the _____ of Blackburn IM Ruttgers SVP, LLC, a Minnesota limited liability company, on behalf of the limited liability company.

_____
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

Jennifer L. Carey
Hanft Fride, A Professional Association
1000 U.S. Bank Place
130 West Superior Street
Duluth, MN 55802
(218) 722-4766

EXHIBIT A

Legal Description of Property

Lots 5 through 13, Block 1, RUTTGERS 1ST HOLE GOLF COTTAGES, Crow Wing County, Minnesota.

AND

Lots 1 through 4, Block 1, RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION, Crow Wing County, Minnesota.

EXHIBIT B

Description of Common Elements

Lot 44, Block 1, Block 1, RUTTGERS 1ST HOLE GOLF COTTAGES 2ND ADDITION, Crow Wing County, Minnesota.

WRITTEN CONSENT OF OWNER

The undersigned, being the Owner of Lots 11 and 12, Block 1, RUTTGERS 1ST HOLE GOLF COTTAGES, Crow Wing County, Minnesota, hereby consents to the foregoing First Amendment to and Restatement of Declaration of Ruttger's 1st Hole Golf Cottages.

Vault Holdings, LLC

By _____
Its _____

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of April, 2026, by _____, the _____ of Vault Holdings, LLC, a Minnesota limited liability company, on behalf of the limited liability company.

_____
Notary Public

CONSENT AND JOINDER BY MORTGAGEE

The undersigned ("Mortgagee") is a mortgagee of portions of real property described in the foregoing First Amendment to and Restatement of Declaration ("Declaration"), to which this consent is attached. The Mortgagee hereby consents to and joins in the Declaration; provided that by consenting to and joining in the Declaration (i) the Mortgagee does not in any manner constitute itself or obligate itself as a declarant as defined in the Declaration; and (ii) such Mortgagee's mortgages shall remain as liens on the property described therein, prior to any Assessment liens or other liens imposed under the Declaration, until released or satisfied.

Mortgagee has caused this Consent and Joinder to be executed on _____, 2026.

First Western Bank & Trust

By: _____
Its: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2026, by _____, the _____ of First Western Bank & Trust, on behalf of the bank.

_____
Notary Public

Transaction Identification Data, for which the Company assumes no liability as set forth in Commitment Condition 5.e.:

Issuing Agent: Lawyers Title Services, LLC
Issuing Office: 7153 Forthun Road, Suite 110, Baxter, MN 56425
Issuing Office's ALTA® Registry ID:
Loan ID No.:
Commitment No.: 20260185-1
Issuing Office File No.: 20260185
Property Address: Lots 1-4 & Part of 13 Block 1, Ruttgers 1st Hole Golf Cottages, Deerwood, MN 56444

SCHEDULE A

1. Commitment Date: March 6, 2026 at 08:00 AM

2. Policy to be issued:

a. ALTA Owners Policy (07/01/2021)
Proposed Insured: Blackburn IM Ruttgers SPV, LLC
Proposed Amount of Insurance: $0.00
The estate or interest to be insured: Fee Simple

b. ALTA Loan Policy (07-01-2021)
Proposed Insured: , its successors and/or assigns as their respective interests may appear.
Proposed Amount of Insurance: $0.00
The estate or interest to be insured: Fee Simple

3. The estate or interest in the Land at the Commitment Date is:

Fee Simple

4. The Title is, at the Commitment Date, vested in:

Blackburn IM Ruttgers SPV, LLC

5. The Land is described as follows:

SEE EXHIBIT A ATTACHED HERETO

Michelle D. Kadus

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; and Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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SCHEDULE B, PART I - REQUIREMENTS

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.

2. Pay the agreed amount for the estate or interest to be insured.

3. Pay the premiums, fees, and charges for the Policy to the Company.

4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.

   a. Mortgage from Blackburn IM Ruttgers SPV, LLC to , securing the principal amount of $0.00.

5. Real estate taxes due and payable in 2026 in the amount of $574.00 are NOT YET PAID.
   Base Tax: $574.00
   Parcel Identification Number: 50030602
   Property is NON-HOMESTEAD for taxes due and payable in the year 2026.

   Real estate taxes due and payable in 2026 in the amount of $576.00 are NOT YET PAID.
   Base Tax: $576.00
   Parcel Identification Number: 50030603
   Property is NON-HOMESTEAD for taxes due and payable in the year 2026.

   Real estate taxes due and payable in 2026 in the amount of $576.00 are NOT YET PAID.
   Base Tax: $576.00
   Parcel Identification Number: 50030604
   Property is NON-HOMESTEAD for taxes due and payable in the year 2026.

   Real estate taxes due and payable in 2026 in the amount of $578.00 are NOT YET PAID.
   Base Tax: $578.00
   Parcel Identification Number: 50030605
   Property is NON-HOMESTEAD for taxes due and payable in the year 2026.

   Real estate taxes due and payable in 2026 in the amount of $0.00 are EXEMPT.
   Base Tax: $0.00
   Parcel Identification Number: 50030614
   Property is NON-HOMESTEAD for taxes due and payable in the year 2026.

6. There may be annual recurring fees charged by the municipality and/or county, which are automatically certified to the real estate taxes.

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7. The Company has ordered an assessment search from the municipality, and there may be further requirements prior to closing. If there are no further requirements, this item will be automatically deleted (without an Endorsement being issued).

8. Obtain for recording the Plat of TBD, together with all government approvals, and related documents as required thereby. Provide to company for review and possible further requirement.

9. Obtain and submit to the company for recording a Consent to Plat executed by the mortgagee of the following:

   Mortgage dated May 8, 2023, recorded June 8, 2023, as Document No. 984920 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers SPV, LLC, in favor of First Western Bank & Trust having an original principal balance of $6,000,000.00.

   The above mortgage is a Revolving Line of Credit/Equity Loan mortgage. If the line of credit/equity line is to be paid off, obtain and submit to the Company the payoff amount and proof of cancellation of the line of credit. The cancellation must state the loan has been closed and no further advances will be made.

   NOTE: Contains Additional Lands.

10. Obtain and submit to the company for recording a Consent to Plat executed by the mortgagee of the following:

    Mortgage dated June 12, 2024, recorded June 20, 2024, as Document No. 997745 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers SPV, LLC, in favor of First Western Bank & Trust having an original principal balance of $4,000,000.00.

    The above mortgage is a Revolving Line of Credit/Equity Loan mortgage. If the line of credit/equity line is to be paid off, obtain and submit to the Company the payoff amount and proof of cancellation of the line of credit. The cancellation must state the loan has been closed and no further advances will be made.

    NOTE: Contains Additional Lands.

11. Obtain and submit to the company for recording a Consent to Plat executed by the mortgagee of the following:

    Mortgage dated June 12, 2024, recorded July 1, 2024, as Document No. 998129 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers Golf, LLC, in favor of First Western Bank & Trust having an original principal balance of $4,000,000.00.

    The above mortgage is a Revolving Line of Credit/Equity Loan mortgage. If the line of credit/equity line is to be paid off, obtain and submit to the Company the payoff amount and proof of cancellation of the line of credit. The cancellation must state the loan has been closed and no further advances will be made.

    NOTE: Contains Additional Lands.

12. Submit to the Company prior to closing, a current homeowners association statement from Ruttgers 1st Hole Golf Cottages Owners Association, indicating that all association dues and assessments are paid in full or stating the amount due as the date of closing.

    NOTE: Registration with Minnesota Secretary of State is currently Inactive.

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13. COMPANY NAME: Blackburn IM Ruttgers SPV, LLC

    For Companies established after August 1, 2015, in accordance with Minn. Stat. 322C, the following is required from Blackburn IM Ruttgers SPV, LLC. Upon receipt and review the Company reserves the right to review and make further requirements.

    a. Articles of Organization
    b. LLC Operating Agreement
    c. Statement of Authority

14. Determine whether any labor and/or materials were delivered to the premises within the past 120 days for new improvements and, if so, submit to the Company the Company's "Mechanic's Lien Covenant of Indemnity" executed by Owner/Builder.

15. Determine whether the property is currently occupied by a tenant and obtain the lease/rental agreement to ascertain tenancy rights, either as month-to-month or by virtue of written leases of persons in possession of any part of the subject property.

16. Company Affidavit by Purchaser and/or Mortgagor executed by Blackburn IM Ruttgers SPV, LLC.

17. This Commitment was prepared from the public records. Any Abstract furnished for examination will not be updated.

18. If an Owner's Policy of title insurance is not ordered at the closing, Company's "Notice of Availability of Owner's Title Insurance" form must be signed by the mortgagors.

19. The "gap period" will be insured, if this transaction is closed by Lawyers Title Services, LLC, or agent. The gap refers to the gap from the effective date of this commitment to the closing date and the gap from the closing date to the recording date of the instrument to be insured.

20. This Commitment is for the exclusive use of this Company and its affiliates in closing the transaction described herein. Anyone else closing off this Commitment shall be liable to this Company for all loss and damage, including payment of all charges shown on the Preliminary Invoice attached hereto.

21. FOR INFORMATIONAL PURPOSES ONLY:

    The County Records have been examined for any conveyances in the last 24 months on the property referenced in Exhibit A of this commitment. The following transfer/conveyance document(s) appear of record in the Recorder's/Registrar's office in Crow Wing County:

    Current fee owners took title per a Warranty Deed dated May 8, 2023, recorded June 8, 2023 as Document No. 984916. There have been no new conveyances of record within the past 24 months.

SCHEDULE B, PART II - EXCEPTIONS

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This Commitment and the Policy treat any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document will be excepted from coverage.

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; and Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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SCHEDULE B
(Continued)

The Policy will not insure against loss or damage resulting from the terms and conditions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I - Requirements are met.

2. The effect on the Title of an encumbrance, violation, variation, adverse circumstance, boundary line overlap, or encroachment (including an encroachment of an improvement across the boundary lines of the Land), but only if the encumbrance, violation, variation, adverse circumstance, boundary line overlap, or encroachment would have been disclosed by an accurate and complete land title survey of the Land.

3. Rights or claims of parties in possession not shown by the Public Records.

4. Easements, or claims of easement, not shown by the Public Records.

5. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

6. All assessments and taxes due and payable in 2026, and thereafter.

7. No coverage is provided for municipal code compliance matters and fees, including, but not limited to, utilities, water, or sewer services, or fees for tree, weed, grass and snow or garbage removal, police boarding, vacant building registration and zoning.

8. Any interest outstanding of record in and to all the oil, gas and other minerals in and under and that may be produced from said premises, together with all rights, incident to or growing out of said outstanding minerals, including but not limited to outstanding oil and gas leases and easements.

9. No coverage is given for any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the land.

10. The terms and provisions contained in the Declaration of Easements in favor of Ruttger's Bay Lake Lodge, Inc. dated April 15, 1985 recorded May 15, 1985, as Document No. A353388 (Book 91 of Miscellaneous, Page 730) of Official Records, Crow Wing County, Minnesota.

11. An easement for county highway purposes in the Final Certificate dated December 22, 1986 recorded January 16, 1987 as Document No. A371648 (Book 101 of Miscellaneous, Page 95) of Official Records.

12. The terms and provisions contained in the Variance dated November 4, 1987 recorded November 12, 1987, as Document No. A381756 of Official Records, Crow Wing County, Minnesota.

13. The terms and provisions contained in the Variance and Conditional Use Order dated December 1, 1988 recorded December 28, 1989, as Document No. A405561 of Official Records, Crow Wing County, Minnesota.

14. The terms and provisions contained in the Conditional Use Order dated October 30, 1987 recorded April 6, 1990, as Document No. A408624, re-recorded May 2, 1990 as Document No. A409479 of Official Records, Crow Wing County, Minnesota.

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15. The terms and provisions contained in the Conditional Use dated September 25, 2006 recorded October 4, 2006, as Document No. A717461 of Official Records, Crow Wing County, Minnesota.

16. Subject to drainage and utility easements as shown on the recorded plat of Ruttgers 1st Hole Golf Cottages dated March 4, 2022, filed March 18, 2022, as Document No. A968384.

17. Covenants, conditions, restrictions and easements in the Declaration of Easements, Restrictions and Covenants dated March 9, 2022 recorded March 18, 2022 as Document No. A968386 in the office of the Crow Wing County Recorder, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or any State Statute or Local Ordinance. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

18. The land is subject to the conditions and provisions of the State of Minnesota, Common Interest Ownership Act, and all acts supplementary and amendatory thereto, and the Declaration dated March 9, 2022 recorded March 18, 2022 as Document No. A968388.

    The above declaration has been amended by First Amendment to Declaration of Easements Agreement dated March 14, 2021 recorded April 1, 2022 as Document No. A969043 and Transfer of Special Declarant Rights dated May 8, 2023 recorded June 8, 2023 as Document No. A984919.

19. Homeowners Association Assessments and monthly dues levied after the date of closing. None are due and payable as of the date of closing.

20. Rights of adjoining owners in the use and possession of a common driveway and/or common element over the land and other land.

21. Any and all encumbrances and/or easements affecting the common areas and/or common elements.

22. Rights of the public in and to that portion of the land described herein lying within the bounds of State Trunk Highway Number 6 and County State Aid Highway Number 14, including but not limited to: Any street, highway, road and/or alley; as laid out, presently used, or dedicated.

23. Tenancy rights, either as month to month, or by virtue of written leases of persons in possession of any part of the subject property.

24. Mortgage dated May 8, 2023, recorded June 8, 2023, as Document No. 984920 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers SPV, LLC, in favor of First Western Bank & Trust having an original principal balance of $6,000,000.00.

    NOTE: Contains Additional Lands.

25. Mortgage dated June 12, 2024, recorded June 20, 2024, as Document No. 997745 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers SPV, LLC, in favor of First Western Bank & Trust having an original principal balance of $4,000,000.00.

    NOTE: Contains Additional Lands.

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26. Mortgage dated June 12, 2024, recorded July 1, 2024, as Document No. 998129 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers Golf, LLC, in favor of First Western Bank & Trust having an original principal balance of $4,000,000.00.

NOTE: Contains Additional Lands.

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File No.: 20260185

The Land referred to herein below is situated in the County of Crow Wing, State of Minnesota and is described as follows:

Lot 1 through Lot 4, inclusive and Lot 13, Block 1, RUTTGERS 1ST HOLE GOLF COTTAGES, according to the recorded plat thereof, and that part of the Southwest Quarter of the Northwest Quarter, of Section Three (3), Township Forty-five (45), Range Twenty-eight (28) Crow Wing County, Minnesota, described as follows:
Commencing at the northwest corner of said Lot 13, thence North 89 degrees 12 minutes 53 seconds East, assumed bearing along the north line of said Lot 13, a distance of 89.63 feet to a easterly line of said Lot 13; thence South 32 Degrees 24 Minutes 36 Seconds East, along said easterly line, a distance of 116.95 feet to the point of beginning of the land to be described; thence South 80 Degrees 46 Minutes 22 Seconds East, a distance of 154.44 feet; thence South 16 Degrees 05 Minutes 48 Seconds West, a distance of 196.74 feet; thence South 87 Degrees 54 Minutes 57 Seconds West, a distance of 90.05 feet to said easterly line of Lot 13; thence North 02 Degrees 05 Minutes 03 Seconds West, along said easterly line, a distance of 217.21 feet to the point of Beginning.

Crow Wing County, Minnesota.

Abstract Property

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ALTA COMMITMENT FOR TITLE INSURANCE
issued by
FIRST AMERICAN TITLE INSURANCE COMPANY

NOTICE

IMPORTANT - READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and the Commitment Conditions, First American Title Insurance Company, a Nebraska Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Amount of Insurance and the name of the Proposed Insured.

If all of the Schedule B, Part I - Requirements have not been met within 90 Days after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

FIRST AMERICAN TITLE INSURANCE COMPANY

By: _____ By: _____

Sally F. Tyler, President Lisa W. Cornehl, Secretary

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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COMMITMENT CONDITIONS

1. DEFINITIONS

a. "Discriminatory Covenant": Any covenant, condition, restriction, or limitation that is unenforceable under applicable law because it illegally discriminates against a class of individuals based on personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or other legally protected class.

b. "Knowledge" or "Known": Actual knowledge or actual notice, but not constructive notice imparted by the Public Records.

c. "Land": The land described in Item 5 of Schedule A and improvements located on that land that by State law constitute real property. The term "Land" does not include any property beyond that described in Schedule A, nor any right, title, interest, estate, or easement in any abutting street, road, avenue, alley, lane, right-of-way, body of water, or waterway, but does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.

d. "Mortgage": A mortgage, deed of trust, trust deed, security deed, or other real property security instrument, including one evidenced by electronic means authorized by law.

e. "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.

f. "Proposed Amount of Insurance": Each dollar amount specified in Schedule A as the Proposed Amount of Insurance of each Policy to be issued pursuant to this Commitment.

g. "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.

h. "Public Records": The recording or filing system established under State statutes in effect at the Commitment Date under which a document must be recorded or filed to impart constructive notice of matters relating to the Title to a purchaser for value without Knowledge. The term "Public Records" does not include any other recording or filing system, including any pertaining to environmental remediation or protection, planning, permitting, zoning, licensing, building, health, public safety, or national security matters.

i. "State": The state or commonwealth of the United States within whose exterior boundaries the Land is located. The term "State" also includes the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, and Guam.

j. "Title": The estate or interest in the Land identified in Item 3 of Schedule A.

2. If all of the Schedule B, Part I - Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

a. the Notice;
b. the Commitment to Issue Policy;
c. the Commitment Conditions;
d. Schedule A;
e. Schedule B, Part I - Requirements;
f. Schedule B, Part II - Exceptions; and
g. a counter-signature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company is not liable for any other amendment to this Commitment.

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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5. LIMITATIONS OF LIABILITY

a. The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
   i. comply with the Schedule B, Part I - Requirements;
   ii. eliminate, with the Company's written consent, any Schedule B, Part II - Exceptions; or
   iii. acquire the Title or create the Mortgage covered by this Commitment.

b. The Company is not liable under Commitment Condition 5.a. if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.

c. The Company is only liable under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.

d. The Company's liability does not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Condition 5.a. or the Proposed Amount of Insurance.

e. The Company is not liable for the content of the Transaction Identification Data, if any.

f. The Company is not obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I - Requirements have been met to the satisfaction of the Company.

g. The Company's liability is further limited by the terms and provisions of the Policy to be issued to the Proposed Insured.

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT; CHOICE OF LAW AND CHOICE OF FORUM

a. Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.

b. Any claim must be based in contract under the State law of the State where the Land is located and is restricted to the terms and provisions of this Commitment. Any litigation or other proceeding brought by the Proposed Insured against the Company must be filed only in a State or federal court having jurisdiction.

c. This Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.

d. The deletion or modification of any Schedule B, Part II - Exceptions does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.

e. Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.

f. When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT IS ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for closing, settlement, escrow, or any other purpose.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

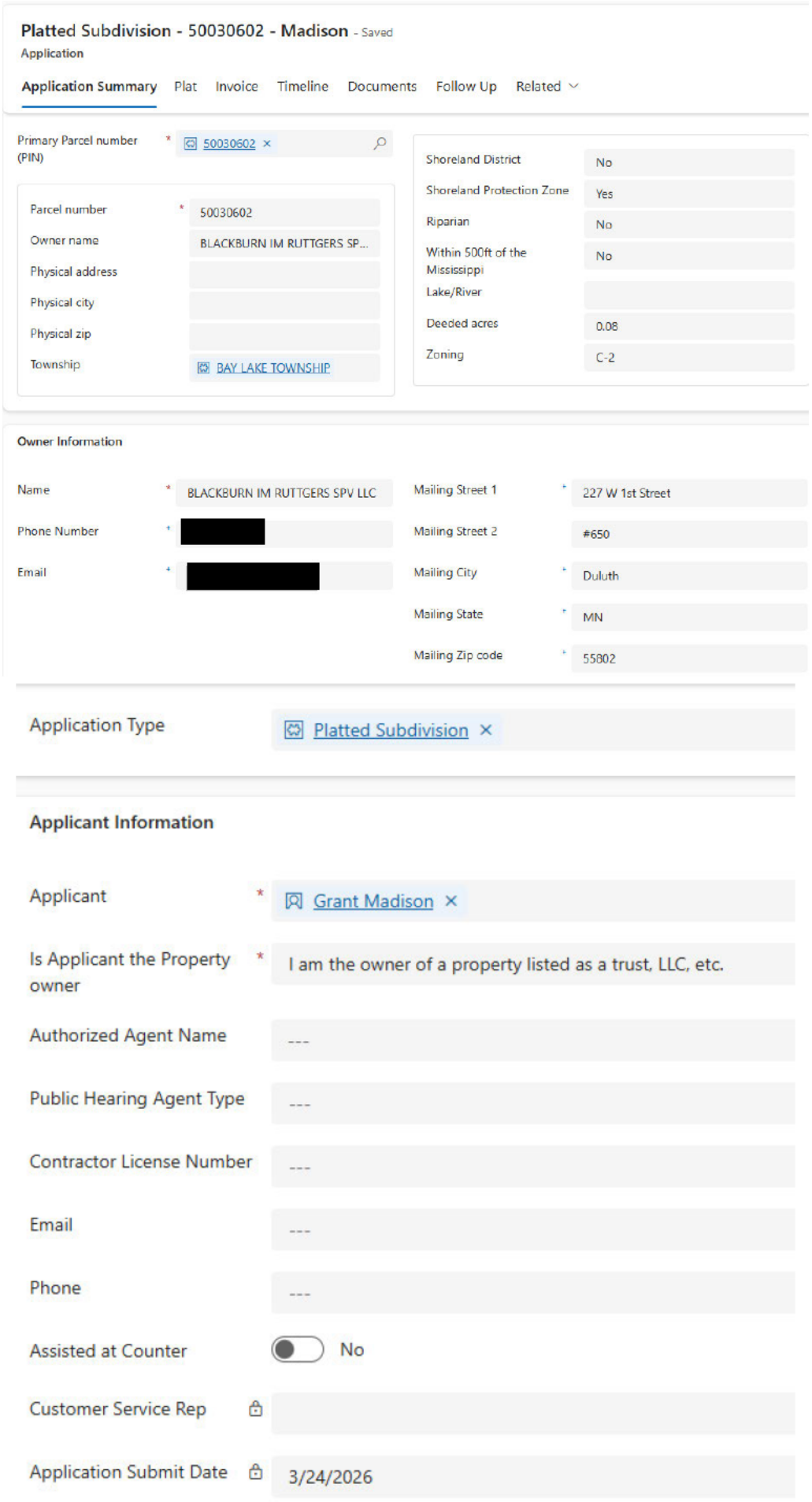
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9. CLAIMS PROCEDURES
This Commitment incorporates by reference all Conditions for making a claim in the Policy to be issued to the Proposed Insured. Commitment Condition 9 does not modify the limitations of liability in Commitment Conditions 5 and 6.

10. CLASS ACTION
ALL CLAIMS AND DISPUTES ARISING OUT OF OR RELATING TO THIS COMMITMENT, INCLUDING ANY SERVICE OR OTHER MATTER IN CONNECTION WITH ISSUING THIS COMMITMENT, ANY BREACH OF A COMMITMENT PROVISION, OR ANY OTHER CLAIM OR DISPUTE ARISING OUT OF OR RELATING TO THE TRANSACTION GIVING RISE TO THIS COMMITMENT, MUST BE BROUGHT IN AN INDIVIDUAL CAPACITY. NO PARTY MAY SERVE AS PLAINTIFF, CLASS MEMBER, OR PARTICIPANT IN ANY CLASS OR REPRESENTATIVE PROCEEDING. ANY POLICY ISSUED PURSUANT TO THIS COMMITMENT WILL CONTAIN A CLASS ACTION CONDITION.

11. ARBITRATION
The Policy contains an arbitration clause. All arbitrable matters when the Proposed Amount of Insurance is $2,000,000 or less may be arbitrated at the election of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at http://www.alta.org/arbitration.

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Platted Subdivision - 50030602 - Madison - Saved
Application
Application Summary
Plat
Invoice
Timeline
Documents
Follow Up
Related
Primary Parcel number (PIN)
50030602
Parcel number
50030602
Owner name
BLACKBURN IM RUTTGERS SP...
Physical address
Physical city
Physical zip
Township
BAY LAKE TOWNSHIP
Shoreland District
No
Shoreland Protection Zone
Yes
Riparian
No
Within 500ft of the Mississippi
No
Lake/River
Deeded acres
0.08
Zoning
C-2
Owner Information
Name
BLACKBURN IM RUTTGERS SPV LLC
Phone Number
[redacted]
Email
[redacted]
Mailing Street 1
227 W 1st Street
Mailing Street 2
#650
Mailing City
Duluth
Mailing State
MN
Mailing Zip code
55802
Application Type
Platted Subdivision
Applicant Information
Applicant
Grant Madison
Is Applicant the Property owner
I am the owner of a property listed as a trust, LLC, etc.
Authorized Agent Name

Public Hearing Agent Type

Contractor License Number

Email

Phone

Assisted at Counter
No
Customer Service Rep
Application Submit Date
3/24/2026

Preliminary or Final Plat

Is this a preliminary plat or final plat?	Final plat

Required Items - Preliminary Plat

Development Review Team (DRT) Meeting	Yes
DRT Meeting Date	---
Are you submitting preliminary plat and final plat together	---
Is a survey on file following the requirements of Article 9 & 44 of the Land Use Ordinance	---
Enter number of proposed lots	11
Enter number of proposed Out-lots	1
Do all lots have access to a 66' wide road?	---
Required septic information on file	---
Is wetland info on file with CWC?	Yes

Required Items - Final Plat

Is a preliminary plat on file?	---
Are you submitting preliminary plat and final plat together	---
Is final plat in 1st Assessment Township?	---
If yes, are you submitting engineered construction plans for any roads, stormwater, and/or other improvements required or proposed?	---
Are all conditions provided by the planning commision for the preliminary plat completed	---

Have monuments been set?	---
If no, when will they be?	---
Title Commitment uploaded in application?	---

Findings of Fact

Does the proposed plat conform to the County's Comprehensive Plan?	Yes
Is the proposal consistent with the existing County Subdivision Ordinance? Specify the applicable sections of the ordinance.	Yes
Are there any other standards, rules or requirements that this plat must meet? Specify other required standards.	No
Is the proposed plat compatible with the present land uses in the area of the proposal?	Yes
Does the plat conform to all applicable performance standards in Article 4.5 of the Subdivision Ordinance?	Yes
How are the potential environmental impacts being resolved? (Does the plat meet County standards?) Explanation should include: Stormwater, Erosion/Sediment Control, Wetlands, Floodplains, Shoreland, Septic Systems	Siltation fencing and tubing, stormwater runoff ponds consistent with county standards.
Have the potential public health, safety or traffic generation impacts been addressed?	Yes

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Land Services	Chris Pence
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Blackburn IM Ruttgers SPV LLC - “Ruttgers Lakeside Cottages 2nd Addition” Preliminary Plat

PREVIOUS ACTION:

April 16, 2026– The Planning Commission/Board of Adjustment made a motion to recommend approval of the preliminary plat of “Ruttgers Lakeside Cottages 2nd Addition” to the County Board of Commissioners.

COMMENTS:

Bay Lake Township Recommended Approval 4/14/2026.

No other comments received

Legal Description: Lot 12 Block 1 of Ruttgers Lakeside Cottages

Section 4 Township 45 Range 28

Bay Lake Township

Parcel number: 50030598

RECOMMENDED BOARD ACTION:

Approve the Preliminary Plat of “Ruttgers Lakeside Cottages 2nd Addition” consisting of 13 total lots.

Approximate length of presentation: 5 minutes

Property Owner: Blackburn IM Ruttgers SPV LLC

Parcel Number: 50030598

Township: Bay Lake

Legal Description: Lot 12 Block 1 of Ruttgers Lakeside Cottages &
Section 4 Township 45 Range 28

Bay Lake – Recreational Development – Lake Setback of 100 feet

Development Review Team Meeting: 2/23/2026
Application Submitted: 3/11/2026
60 Day Action Deadline: 5/10/2026
60 Day Waiver: N/A
Wetland: Delineated in 2021
Septic: Septic letter 1/10/2024
County Board Meeting: 4/28/2026

Land Use District: Commercial

Adjacent Land Use:
North: Commercial
South: Commercial
East: Commercial
West: Commercial

Request:

1. Preliminary Plat
    - Ruttgers Lakeside Cottages 2nd Addition with 13 total lots

Potential Conditions:

1. Final plat must be submitted within 12 months of Preliminary Plat approval by the County Board
2. All applicable required improvements (Article 9.8) shall be effectively implemented
3. If this plat proposes to disturb 1 acre or more of soil, a Stormwater Pollution Prevention Plan (SWPPP) must be approved by the MPCA for their records prior to construction, tree clearing, and/or land grading and implemented on-site.
4. Documentation of plat monuments completed within 1 year of recording final plat
5. Title Commitment (Before Final Plat)
6. Signed & notarized copy of covenants & declarations (Before Final Plat)

Permit History:
50030598:

- 11/27/1970 – Public Hearing: Conditional use permit/ Planned Unit Development/ Conditional Structure Permit for girls' dormitories, laundry building and facilities, along with a convention hall complex – Approved
- 4/27/1978 – Sewer certificate
- 7/27/1979 – Land use permit for 12x24 addition to dwelling
- 3/05/1980 – Public Hearing: Variance to allow the 6x24 addition to cabin 9 (68 feet from lakeshore); deny the 6x24 addition to cabin 6 (10 feet from lakeshore) If a plan is presented to extend 6 from either side of cabin, but not lakeward, a permit may be issued.
- 7/16/1980 – Public Hearing: Conditional use permit/Planned Unit Development/Conditional Structure Use for eight 30x30 two story townhouse units with conforming septic- Approved
- 10/22/1980 – Public Hearing: Conditional Structure/Use and Planned Unit Development for twelve-unit motel, each unit a two bedroom with updated septic. – Approved
- 12/01/1983 – Land use permit for 26x40 metal pole storage building
- 2/29/1984 – Public Hearing: Dirt fill/Shoreland alteration approximately 186x40 feet 3-4 feet deep – Approved with conditions.
- 12/12/1989 – Land use permit for septic system
- 9/12/1990 – Sewer certificate
- 10/17/1990 – Public Hearing: After the fact dirt moving/ Conditional use to allow 9-hole golf course addition including clubhouse and maintenance buildings -Approved with conditions
- 2/04/1992 – Land use permit to install septic for Pro shop/bar
- 4/02/1993 – Land use permit for 16x16 recreational building with septic
- 1/31/1994 – Land use permit for 69x40x14 addition to maintenance building
- 6/16/1999 – Sewer certificate
- 6/18/1999 – Land use permit to add to septic system
- 3/07/1999 – Land use permit for 24x16 deck to Kid's Kamp
- 12/05/2005 – Wetland Delineation
- 9/29/2006 – Compliance inspection
- 10/20/2006 – Land use permit for (four) 44x48 2 story duplexes (eight total residences for commercial CIC use)
- 9/22/2016 – Land use permit to rebuild cabin and expansion (20x30 ft overall) (#737)
- 2/08/2021 – Public Hearing: Variance request and amend to approved CUP
- 6/19/2021 – Shoreland alteration permit to replace retaining wall, add a second retaining wall, add stairs for access, dirt moving and a rock boarder surrounding beach #2
- 2/15/2024- Public Hearing: Variance for OHW setbacks for CR1, 512, 415, 411, 410, 409, 408, 407, 406, 405 and deck - Approved; Amend Conditional Use Permit for density. -Approved

Agencies Notified and Responses Received:
DNR: No comment received as of 4/09/2026
CWC Highway Department: No comment received as of 4/09/2026
SWCD: No comment received as of 4/09/2026
Bay Lake Township: No comment received as of 4/09/2026
Bay Lake Association: No comment received as of 4/09/2026

Public Hearing notifications:
Mailing notification sent on 4/03/2026 to owners in a ½ mile radius of parcel.
Published in the Brainerd Dispatch on 4/04/2026

Per findings of fact discussed 4/19/2026, the application submitted 3/11/2026, the staff report, public testimony, and as shown on the Certificate of Survey dated 1/15/2026; Located in Bay Lake Township, Crow Wing County, Minnesota

Meeting Minutes – Development Review Team (DRT)

Date: February 23, 2026
Time: 10:30am
Attendees:

- Nicholette Dunlap – Senior Environmental Specialist
- Stacy Westhoff – Planning Coordinator
- Don Hales – Bay Lake Township
- Matt Kallroos – Highway Department
- Jake Frie – Minnesota DNR
- Chris Pence – Environmental Services Manager
- Michael Cameron – GM, Rutgers Bay Lake Resort
- Grant Madison – Asset Manager, Blackburn Investment
- TJ McMillan – Blackburn Investment Management
- Jennifer Carey – Legal Counsel

Project Summary

- **Project:** Amend existing plat, New plat for existing cabins, and address future development plans for **Rutgers Bay Lake Resort**.
- **Objectives:**

  Amend Ruttgers 1st Hole Golf Cottages Plat:

  - Shift Lots 1–3 east, no changes in size.
  - Eliminate Lot 4 (location of water supply well house).
  - Setbacks are being met.
  - Purpose: Expand golf course parking and boat trailer storage area.

New Plat for existing cabins: Ruttgers Lakeside Cottages 2nd Addition

- Existing Conditional Use Permit approved for cabins under construction (Lots 1–8 currently being built; Lots 9–13 built last winter).
- Plat cabins (Lots 1–13) for quarter-share ownership.
- Maintain resort classification (units available for rental at least 50% of the time).

Discussion Highlights

- **Quarter-Share Ownership:**
  - Each unit: 4 owners, one week per month usage; units remain in rental pool.
  - County ordinance updated: Resort units must be available for rental at least 50% of the time (previous 42-day rule removed).
- **Approval Process & Timeline:**
  - Preliminary plat submission deadline: March 11 for April 16 public hearing.
  - Fee: \$750 per plat.
  - Option to submit preliminary and final plats together for faster approval.
- **Township Coordination:**
  - Attend Bay Lake Township meeting; contact Township clerk for agenda.
- **Future Plans Environmental Considerations:**
  - Maintain setbacks: 150 ft (Goose Lake), 100 ft (Bass Lake).
  - Limited accessory structures allowed (e.g., 250 sq. ft. water-oriented storage).
  - No permanent structures or campers within setback zones.
  - Additional cabins, Nordic spa, and amenities under consideration.

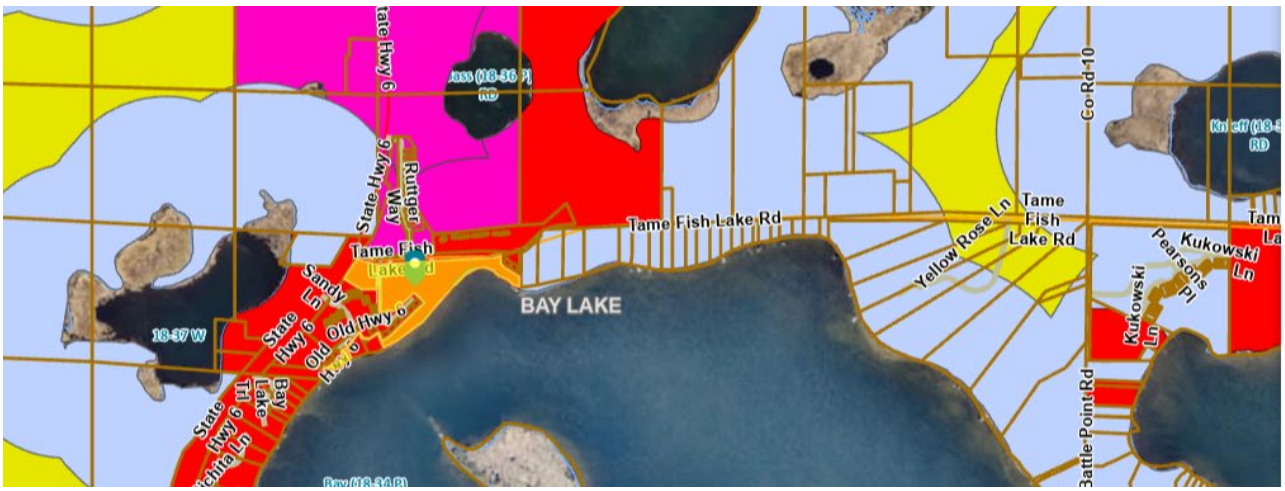
Next Steps

- **Applicant (Rutgers/Blackburn):**
    - Prepare and submit preliminary and final plats by **March 11**.
    - Pay fees
    - Coordinate with Township for meeting attendance.
    - Work with legal counsel on Department of Commerce compliance.

Important dates:

- Bay Lake Township meeting: 2nd Tuesday of the month at 7:00pm
- Application due: March 11th
- Public Hearing: April 16th
- County Board (final approval): April 28th

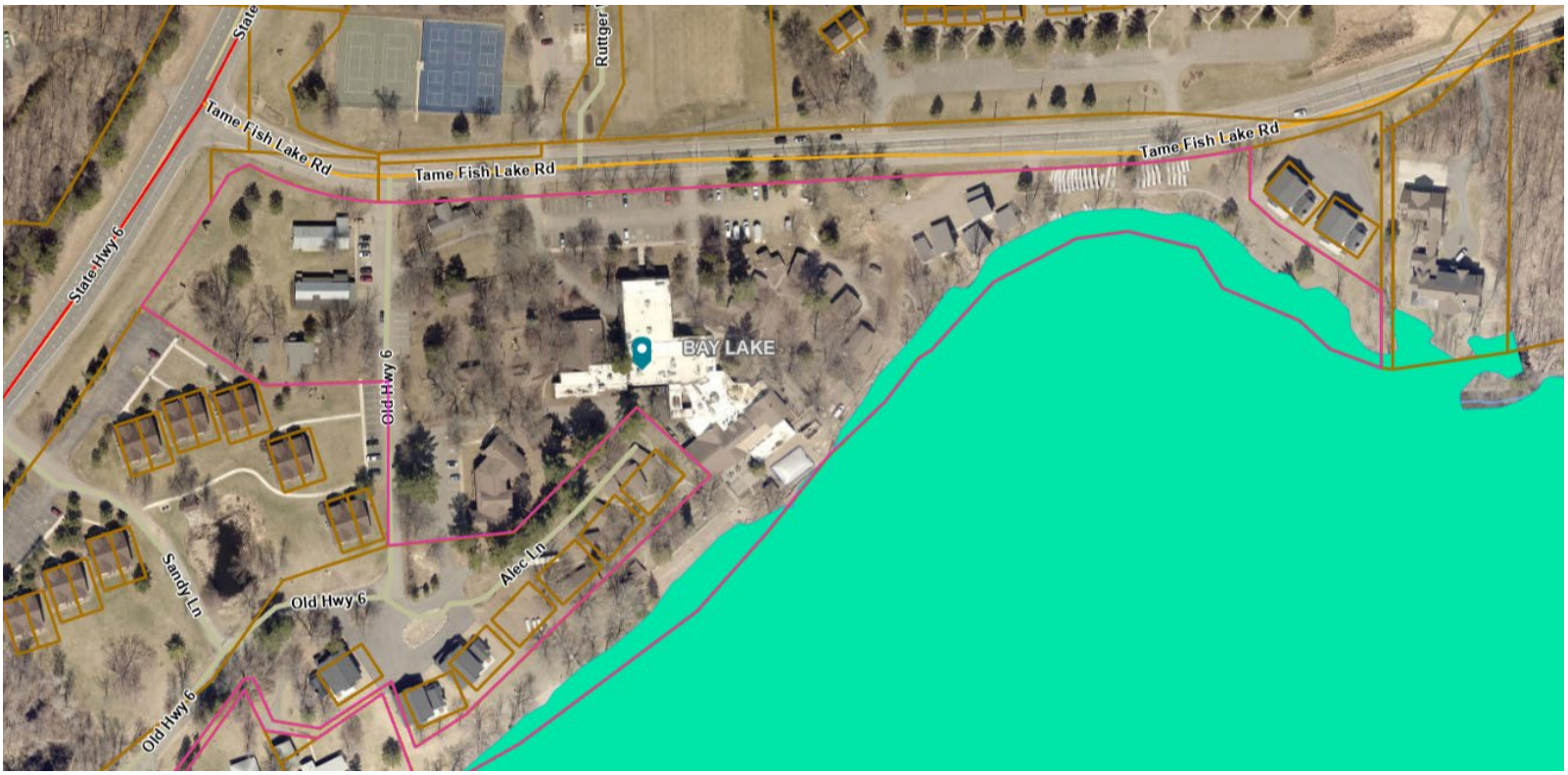




- Agricultural/Forestry District
- Commercial District
- Commerical Industrial District
- Rural Residential - 1
- Rural Residential - 2.5
- Rural Residential - 5
- Rural Residential - 10
- Shoreland District
- County Administered
- Waterfront Commerical
- Other


Tame Fish Lake Rd
Tame Fish Lake Rd
Tame Fish Lake Rd
Ruttger
BAY LAKE
Old Hwy 6
Alec Ln
Sandy Ln
Old Hwy 6
Old Hwy 6
Bay (18-34 ft)
RD

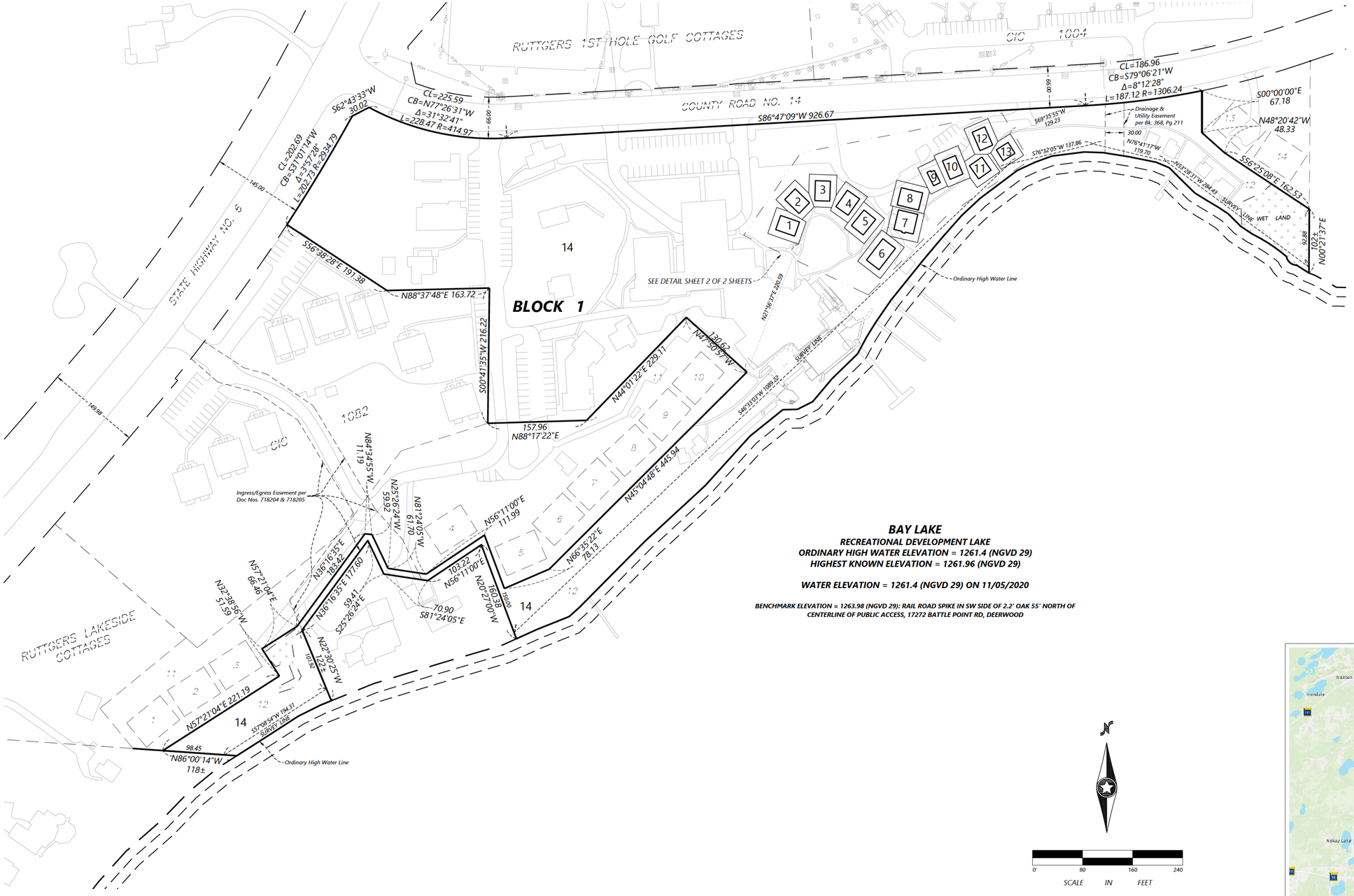

Tame Fish Lake Rd
Tame Fish Lake Rd
Tame Fish Lake Rd
State Hwy 6
BAY LAKE
Old Hwy 6
1260
1270
1280
Alec Ln
Sandy Ln
Old Hwy 6
Old Hwy 6
Bay (18-34 ft)
RD


Tame Fish Lake Rd
Tame Fish Lake Rd
Tame Fish Lake Rd
State Hwy 6
BAY LAKE
Old Hwy 9
Sandy Ln
Old Hwy 6
Alec Ln
Old Hwy 6

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RUTTGERS LAKESIDE COTTAGES 2ND ADDITION

Call 48 Hours before digging:
811 or call811.com
Common Ground Alliance



LEGAL DESCRIPTION

Lots 12, Block 1, RUTTGERS LAKESIDE COTTAGES, according to the recorded plat thereof, Crow Wing County, Minnesota.

GENERAL NOTES

1. *Subject property address: 25039 Tame Fish Lake Road, Deerwood, MN 56444 (address for lodge).*
2. *Subject property contains*

Lot 1 area	*= 2,183 sq. ft. or 0.050 acres*
Lot 2 area	*= 2,104 sq. ft. or 0.048 acres*
Lot 3 area	*= 2,119 sq. ft. or 0.049 acres*
Lot 4 area	*= 2,080 sq. ft. or 0.048 acres*
Lot 5 area	*= 2,162 sq. ft. or 0.050 acres*
Lot 6 area	*= 2,867 sq. ft. or 0.066 acres*
Lot 7 area	*= 2,446 sq. ft. or 0.056 acres*
Lot 8 area	*= 2,294 sq. ft. or 0.053 acres*
Lot 9 area	*= 1,442 sq. ft. or 0.033 acres*
Lot 10 area	*= 2,226 sq. ft. or 0.051 acres*
Lot 11 area	*= 1,829 sq. ft. or 0.042 acres*
Lot 12 area	*= 2,002 sq. ft. or 0.046 acres*
Lot 13 area	*= 1,631 sq. ft. or 0.037 acres*
Lot 14 area	*= 451,123 sq. ft. or 10.356 acres*
Total Boundary area	*= 478,508 sq. ft. or 10.985 acres*

3. *Subject property appears to be classified as "Zone X" (area of minimal flood hazard) when scaled from Flood Insurance Rate Map Community - Panel Number 27035CO500C and Panel Number 27035C0475C, both dated 8/15/2017.*

SURVEYOR/ENGINEER:
Westwood Professional Services, Inc.
3701 12th Street North, Suite 206
St. Cloud, Minnesota 56303
Ph- (320)253-9495

DEVELOPER AND OWNER:
Blackburn IM Ruttgers SPV LLC, a Limited Liability Corporation
25039 Tame Fish Lake Road,
Deerwood, MN 56444

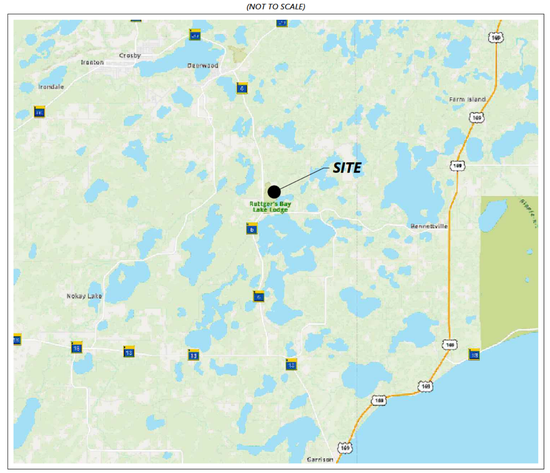
BAY LAKE
RECREATIONAL DEVELOPMENT LAKE
ORDINARY HIGH WATER ELEVATION = 1261.4 (NGVD 29)
HIGHEST KNOWN ELEVATION = 1261.96 (NGVD 29)

WATER ELEVATION = 1261.4 (NGVD 29) ON 11/05/2020

BENCHMARK ELEVATION = 1263.98 (NGVD 29): RAIL ROAD SPIKE IN SW SIDE OF 2.2' OAK 55' NORTH OF CENTERLINE OF PUBLIC ACCESS, 17272 BATTLE POINT RD, DEERWOOD

VICINITY MAP

(NOT TO SCALE)



N:\0027119.07\06 CAD\DWG\SURVEY\SHEETS\0027119.07V-PPF01.DWG

DESIGNED: -
CHECKED: MJW, ACW
DRAWN: BTW
HORIZONTAL SCALE: 80'
-

REVISIONS:

PREPARED FOR:
1898 INVESTMENTS LLC

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA

Mathew J. Welinski
01/14/2026 LICENSE NO.

RUTTGER'S BAY LAKE LODGE EXPANSION
DEERWOOD, MN

Westwood
Phone (320) 253-9495 3701 12th Street North, Suite 206
Fax (320) 358-2001 St. Cloud, MN 56303
Toll Free (800) 270-9495 westwoodps.com
Westwood Professional Services, Inc.

PRELIMINARY PLAT

PROJECT NUMBER: 0027119.07

SHEET NUMBER: 1 OF 2

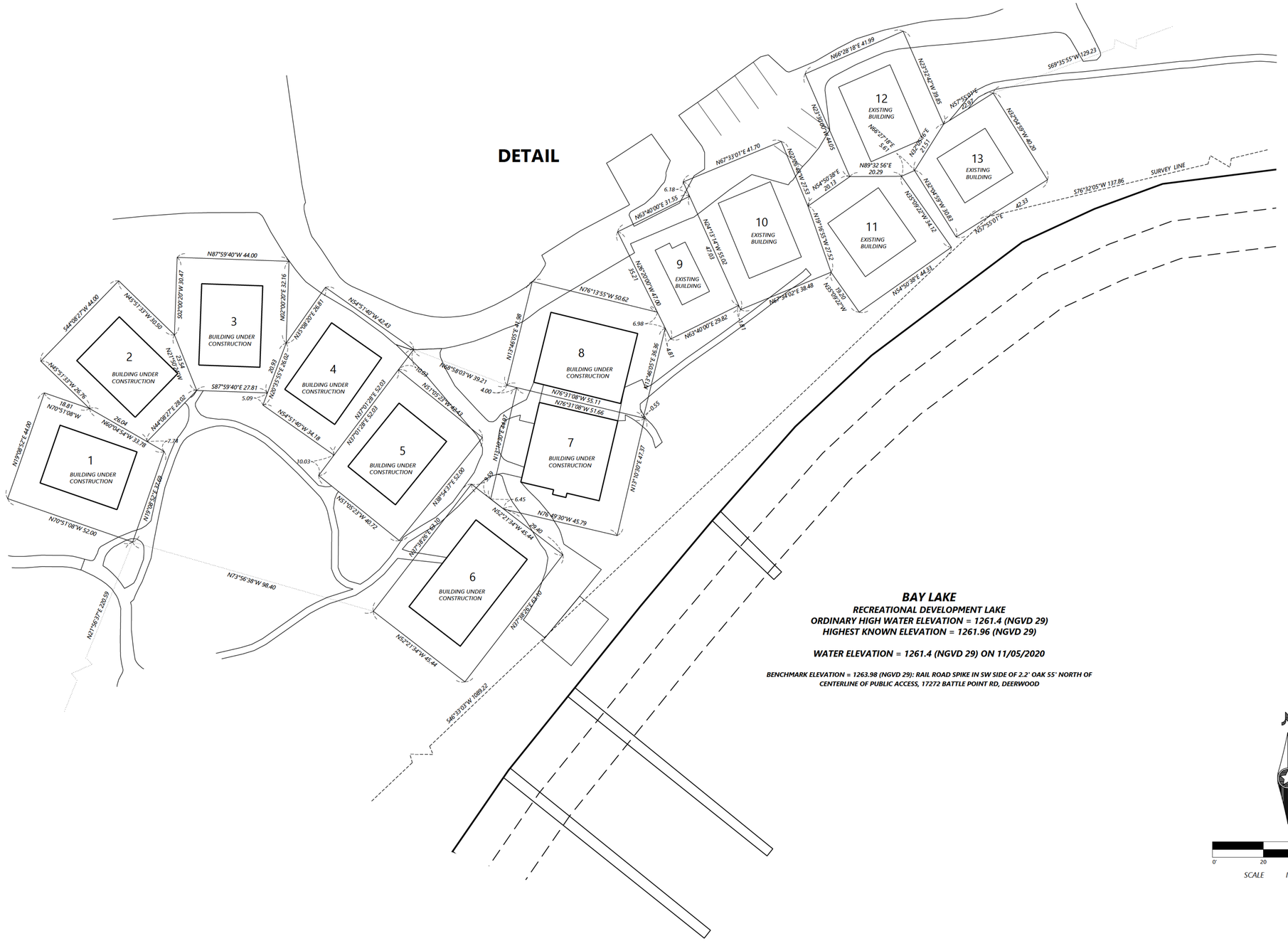
DATE: 01/15/2026

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RUTTGERS LAKESIDE COTTAGES 2ND ADDITION

Call 48 Hours before digging:
811 or call811.com
Common Ground Alliance

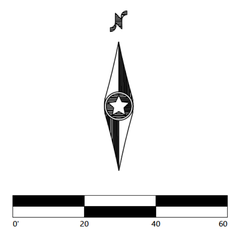
DETAIL



BAY LAKE
RECREATIONAL DEVELOPMENT LAKE
ORDINARY HIGH WATER ELEVATION = 1261.4 (NGVD 29)
HIGHEST KNOWN ELEVATION = 1261.96 (NGVD 29)

WATER ELEVATION = 1261.4 (NGVD 29) ON 11/05/2020

BENCHMARK ELEVATION = 1263.98 (NGVD 29): RAIL ROAD SPIKE IN SW SIDE OF 2.2' OAK 55' NORTH OF CENTERLINE OF PUBLIC ACCESS, 17272 BATTLE POINT RD, DEERWOOD



N:\0027119.07\06 CAD\DWG\SURVEY\SHEETS\0027119.07V-PPF02.DWG

DESIGNED: .
CHECKED: MJW, ACW
DRAWN: BTW
HORIZONTAL SCALE: 80'
.

REVISIONS:
.

PREPARED FOR:

1898 INVESTMENTS LLC

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA

Mathew J. Welinski
01/14/2026 LICENSE NO. _____

RUTTGER'S BAY LAKE LODGE EXPANSION
DEERWOOD, MN

Westwood
Phone (320) 253-9495 3701 12th Street North, Suite 206
Fax (320) 358-2001 St. Cloud, MN 56303
Toll Free (800) 270-9495 westwoodps.com
Westwood Professional Services, Inc.

PRELIMINARY PLAT

PROJECT NUMBER: 0027119.07

SHEET NUMBER: 2 OF 2
DATE: 01/15/2026

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Data Source(s): Westwood (2021); Census Bureau (2017); USDA NAIP Renville County (2019); Renville County (2017).

Legend

- Delineation Boundary
- Delineated Wetlands
- Non-wetland Sample Point
- Upland Sample Point
- Wetland Sample Point

Ruttgers Bay Lake Project

Bay Lake Township
Crow Wing County, Minnesota

Delineated Wetlands

Westwood
Toll Free (888) 937-5150 westwoodps.com
Westwood Professional Services, Inc.

Map Document: N:\0027119.00\GIS\MXD\wetland exhibits\Ruttgers_Ex5_DelineatedWetlands_210513.mxd 5/20/2021 5:27:11 PM ALMcTaggart

Date: January 10, 2024

To: Whom it may concern

From: Lee Bundy

Subject: Ruttger's Bay Lake Resort

The resort has a collection system consisting of Septic Tanks of Various sizes, and two separate drain fields. Both are functional. One is used for the summer flows, and one is used for the winter flows. The resort is regulated by an NPDES permit, serviced by the MPCA. Both are operating properly.

Lee Bundy , Operator
People Service, inc.
lbundy@peopleservice.com
320.420.9967

TOWNSHIP RECOMMENDATION FORM

RECEIVED
By Stacy Westhoff at 9:52 am, Apr 15, 2026

On April 14, 2026, the Town Board of Bay Lake discussed the Preliminary Plat for Blackburn IM Ruttgers SPV LLC

Preliminary Plat Request For:

- Ruttgers Lakeside Cottages 2nd Addition – consisting of 13 total lots

After reviewing the Request, the Town Board:

X **RECOMMENDS APPROVAL:**

__ **RECOMMENDS DISAPPROVAL:**

___ **HAS NO RECOMMENDATION, BUT WILL FORWARD THE REQUEST TO THE PLANNING COMMISSION OR BOARD OF ADJUSTMENT**

SIGNED: Carol Pundt
Township Clerk

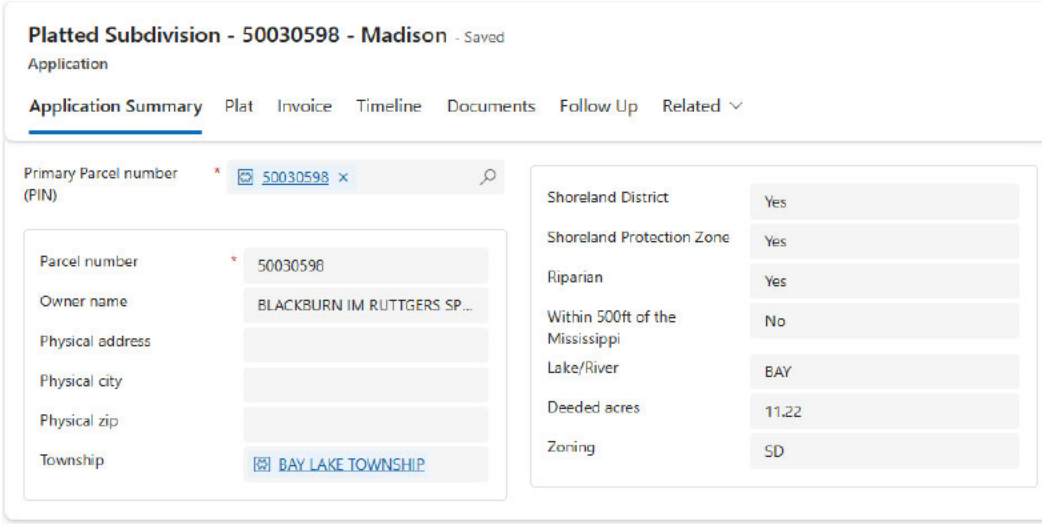
Supervisor

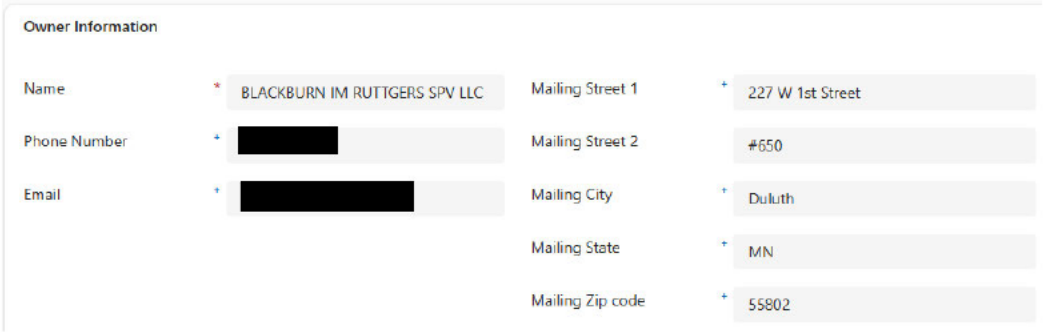
Supervisor

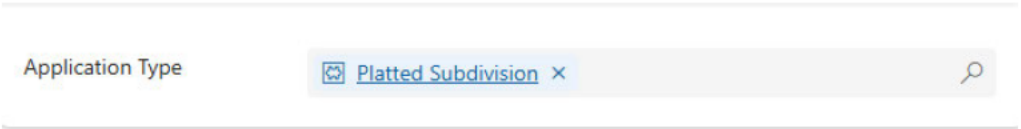
Supervisor

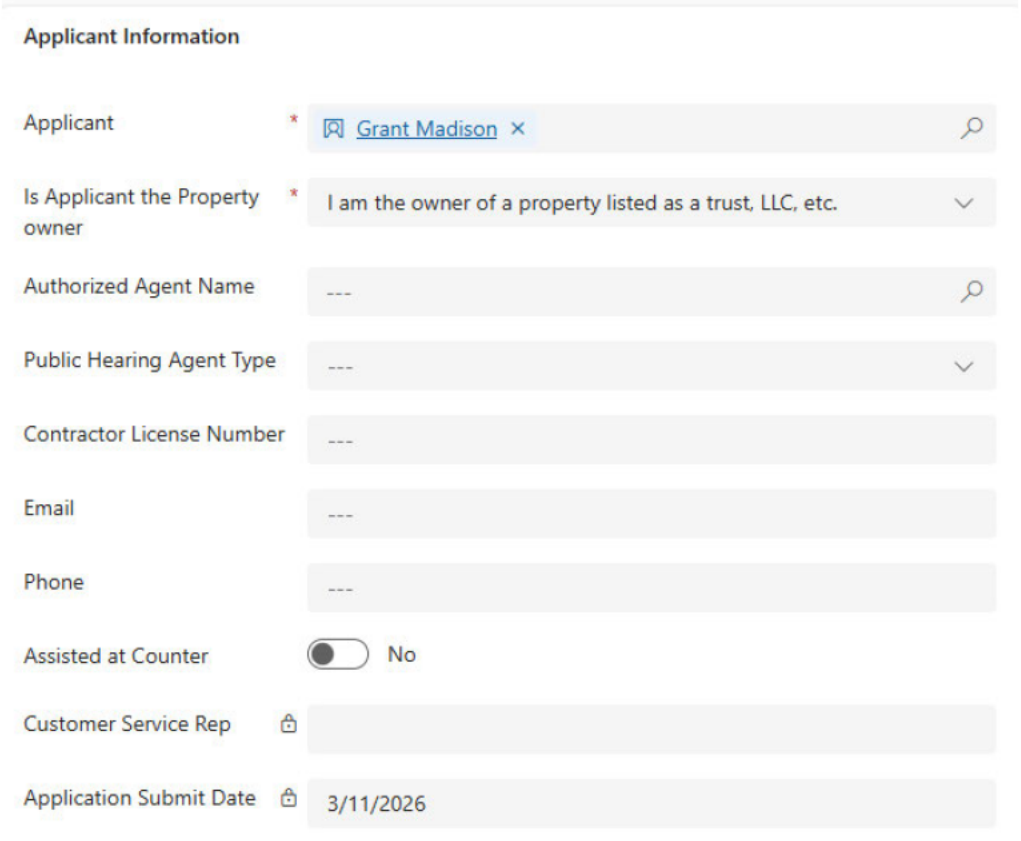
OL PUNDT
County, Minnesota

PLANNING & ZONING RECOMMENDATION FORM


Platted Subdivision - 50030598 - Madison - Saved
Application
Application Summary
Plat
Invoice
Timeline
Documents
Follow Up
Related
Primary Parcel number (PIN) *
50030598
Parcel number *
50030598
Owner name
BLACKBURN IM RUTTGERS SP...
Physical address
Physical city
Physical zip
Township
BAY LAKE TOWNSHIP
Shoreland District
Yes
Shoreland Protection Zone
Yes
Riparian
Yes
Within 500ft of the Mississippi
No
Lake/River
BAY
Deeded acres
11.22
Zoning
SD


Owner Information
Name *
BLACKBURN IM RUTTGERS SPV LLC
Phone Number *
[redacted]
Email *
[redacted]
Mailing Street 1 *
227 W 1st Street
Mailing Street 2
#650
Mailing City *
Duluth
Mailing State *
MN
Mailing Zip code *
55802


Application Type
Platted Subdivision


Applicant Information
Applicant *
Grant Madison
Is Applicant the Property owner *
I am the owner of a property listed as a trust, LLC, etc.
Authorized Agent Name

Public Hearing Agent Type

Contractor License Number

Email

Phone

Assisted at Counter
No
Customer Service Rep
Application Submit Date
3/11/2026

Project Specifics

Enter number of proposed lots	13
Enter number of proposed Out-lots	1
How is the property accessed	Easement
If easement, is it recorded?	No
If applying for a septic, please select type from the drop down box	---
Is this a preliminary plat or final plat?	Preliminary plat
Is wetland info on file with CWC?	Yes

Findings of Fact

Does the proposed plat conform to the County's Comprehensive Plan?	Yes
Is the proposal consistent with the existing County Subdivision Ordinance? Specify the applicable sections of the ordinance.	Yes
Are there any other standards, rules or requirements that this plat must meet? Specify other required standards.	No
Is the proposed plat compatible with the present land uses in the area of the proposal?	Yes
Does the plat conform to all applicable performance standards in Article 4.5 of the Subdivision Ordinance?	Yes
How are the potential environmental impacts being resolved? (Does the plat meet County standards?) Explanation should include: Stormwater, Erosion/Sediment Control, Wetlands, Floodplains, Shoreland, Septic Systems	Siltation fencing and tubing, Stormwater collection ponds consistent with county standards.
Have the potential public health, safety or traffic generation impacts been addressed?	Yes

CROW WING COUNTY STAFF PRELIMINARY FINDINGS OF FACT SUPPORTING/DENYING A PRELIMINARY PLAT

Name of Applicant: Blackburn IM Ruttgers SPV LLC

Date: April 16, 2026

PID: 50030598

FINDINGS OF FACT:

1. ***Does the proposed plat conform to the County's Comprehensive Plan?***
   Yes ☒ ***No*** ☐ ***Why or why not?***

- Goal 1: Plan for residential development that meets the needs of residents of all ages and income levels, focusing on an aging population and moderately priced housing for area workers. Balance interests between short-term rentals and long-term housing needs. Support the development of housing that balances natural resources, creates a sense of community, and connects to recreational amenities and open space. (pg. 68)
  - Policy 1: Promote policies and development that make housing more attainable for all income levels and abilities, especially workers, seniors, and first-time homebuyers.
  - Policy 2: Pursue development opportunities that provide for all stages of life and are accessible to all residents.
  - Policy 3: Encourage mixed-use development to create neighborhoods and communities around existing and new housing.

2. ***Is the proposal consistent with the existing County Subdivision Ordinance? Specify applicable sections of the Ordinance.***
   Yes ☒ ***No*** ☐ ***Why or why not?***

- A Conditional Use Permit for 13 cabins was approved on 02/15/2024. This plat establishes the precise location of each structure authorized under that permit, allowing each cabin to occupy its own designated parcel of land.
- Proposal maintains orderly development consistent with prior approvals for a resort-based subdivision. (Article 9.2)
- The property is in a Waterfront Commercial district, and the proposed 13-lot plat is consistent with the land use designation and historic resort approvals.

3. ***Are there any other standards, rules or requirements that this plat must meet?***
   Yes ☐ ***No*** ☒ ***Why or why not?***

- Ruttgers Resort has a permit through the MPCA for their sewage treatment system. All improvements proposed will be reviewed and approved by the MPCA.
- A wetland delineation of the parcels was submitted to the Land Services Department on 05/24/2021 by Brinks Wetland Services.

4. ***Is the proposed plat compatible with the present land uses in the area of the proposal?***
Yes ☒ ***No*** ☐ ***Why or why not?***

- This property is zoned Waterfront Commercial District and is surrounded by Commercial and residential uses.

5. ***Does the plat conform to all applicable performance standards in Article 9 of the Subdivision Ordinance?***
Yes ☒ ***No*** ☐ ***Why or why not?***

- Ruttgers Resort has a permit through the MPCA for their sewage treatment system. All improvements proposed will be reviewed and approved by the MPCA.
- A wetland delineation of the parcels was submitted to the Land Services Department on 05/24/2021 by Brinks Wetland Services.

6. ***How are the potential environmental impacts being resolved? (Does the plat meet County Standards?)***
Yes ☒ ***No*** ☐ ***Why or why not?***

- Stormwater: The resort submitted and is implementing the stormwater plan as part of the CUP approval from 2/15/2024
- Erosion/Sediment Control: The resort submitted and is implementing an erosion and sediment control plan as part of the CUP approval from 2/15/2024
- Wetlands: A wetland delineation of the parcels was submitted to the Land Services Department on 05/24/2021 by Brinks Wetland Services.
- Floodplain: Due to the topography at the lakeshore, there will be no impact to the floodplain in this plat.
- Septic Systems: Ruttgers Resort has a permit through the MPCA for their sewage treatment system. All improvements proposed will be reviewed and approved by the MPCA.

7. ***Have the potential public health, safety or traffic generation impacts been addressed?***
Yes ☒ ***No*** ☐ ***Why or why not?***

- Ruttgers Resort has a permit through the MPCA for their sewage treatment system. All improvements proposed will be reviewed and approved by the MPCA.
- A wetland delineation of the parcels was submitted to the Land Services Department on 05/24/2021 by Brinks Wetland Services.
- No new roads are being constructed with this plat.

8. ***Other issues pertinent to this matter:*** **None**

9. ***Township recommendation:*** *None as of 04/09/26*

CROW WING COUNTY
MINNESOTA

NOTICE OF DECISION

Property Owner/Applicant: Blackburn IM Ruttgers SPV LLC

Parcel Number: 50030598

Township: Bay Lake

Your application for the Preliminary Plat of Ruttgers Lakeside Cottages 2nd Addition has been recommended for approval to the County Board of Commissioners on April 16, 2026, by the Planning Commission. Your application will now be placed on the April 28, 2026, County Board Agenda.

CONDITIONS:

1. **Final plat must be submitted within 12 months of Preliminary Plat approval by the County Board**
2. **All applicable required improvements (Article 9.8) shall be effectively implemented**
3. **If this plat proposes to disturb 1 acre or more of soil, a Stormwater Pollution Prevention Plan (SWPPP) must be approved by the MPCA for their records prior to construction, tree clearing, and/or land grading and implemented on-site.**
4. **Documentation of plat monuments completed within 1 year of recording final plat**
5. **Title Commitment (Before Final Plat)**
6. **Signed & notarized copy of covenants & declarations (Before Final Plat)**

Date: 4/17/2026

Chris Pence Environmental Services Manager

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Land Services	Chris Pence
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Blackburn IM Ruttgers SPV LLC - “Ruttgers Lakeside Cottages 2nd Addition” Final Plat

PREVIOUS ACTION:

April 16, 2026– The Planning Commission/Board of Adjustment made a motion to recommend approval of the preliminary plat of “Ruttgers Lakeside Cottages 2nd Addition” to the County Board of Commissioners.

COMMENTS:

Bay Lake Township Recommended Approval 4/14/2026.

No other comments received

Legal Description: Lot 12 Block 1 of Ruttgers Lakeside Cottages

Section 4 Township 45 Range 28

Bay Lake Township

Parcel number: 50030598

RECOMMENDED BOARD ACTION:

Approve the Final plat of “Ruttgers Lakeside Cottages 2nd Addition” consisting of 13 total lots.

Approximate length of presentation: 5 minutes

RUTTGERS LAKESIDE COTTAGES 2ND ADDITION

KNOW ALL PERSONS BY THESE PRESENTS: *that Blackburn IM Ruttgers SPV LLC, a Limited Liability Corporation, owner of the following described property situated in the County of Crow Wing, State of Minnesota, to wit:*

Lots 12, Block 1, RUTTGERS LAKESIDE COTTAGES, according to the recorded plat thereof, Crow Wing County, Minnesota.

Has caused the same to be surveyed and platted as ***RUTTGERS LAKESIDE COTTAGES 2ND ADDITION****.*

In witness whereof said Blackburn IM Ruttgers SPV LLC, a Limited Liability Corporation, has caused these presents to be signed by its proper officer this _____ day of _____, 20_____.

Blackburn IM Ruttgers SPV LLC

By _____

Its _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me on this _____ day of _____, 20_____, by _____, its _____ of Odyssey Resorts, a _____, on behalf of the _____.

_____ _____

(Signature) *(Name Printed)*

Notary Public, _____ County, _____

My Commission Expires _____

I hereby certify that I have surveyed and platted or directly supervised the survey and platting of the property described on this plat as ***RUTTGERS LAKESIDE COTTAGES 2ND ADDITION*** *that I am a duly Licensed Land Surveyor in the State of Minnesota; that this plat is a correct representation of the boundary survey; that all mathematical data and labels are correctly designated on the plat; that all monuments depicted on the plat have been or will be correctly set within one year; that all water boundaries and wet lands as defined in Minnesota Statutes Section 505.01, Subd. 3 existing as of the date of this certification are shown and labeled on the plat; and that all public ways are shown and labeled on the plat.*

Dated this _____, day of _____, 20_____

_____

Andrew C. Westbrock, Licensed Land Surveyor
Minnesota License No. 61071

STATE OF MINNESOTA
COUNTY OF _____

The foregoing Surveyor's Certificate was acknowledged before me on this _____ day of _____, 20_____, by Andrew C. Westbrock, a Licensed Land Surveyor, Minnesota License No. 61071.

_____ _____

(Signature) *(Name Printed)*

Notary Public, _____ County, Minnesota

My Commission Expires _____

COUNTY AUDITOR/TREASURER

Pursuant to Minnesota Statutes, Section 272.12, there are no delinquent taxes on the land hereinbefore described on this plat and transfer and pursuant to Chapter 505.021, Subd. 9, taxes payable for the year 20_____ on the land hereinbefore described have been paid this _____ day of _____, 20_____.

By _____
Gary Griffin, Auditor/Treasurer
Crow Wing County, Minnesota

COUNTY RECORDER

I hereby certify that this instrument was filed for record in the office of the County Recorder in and for Crow Wing County, Minnesota this _____ day of _____, 20_____, as Document No. _____.

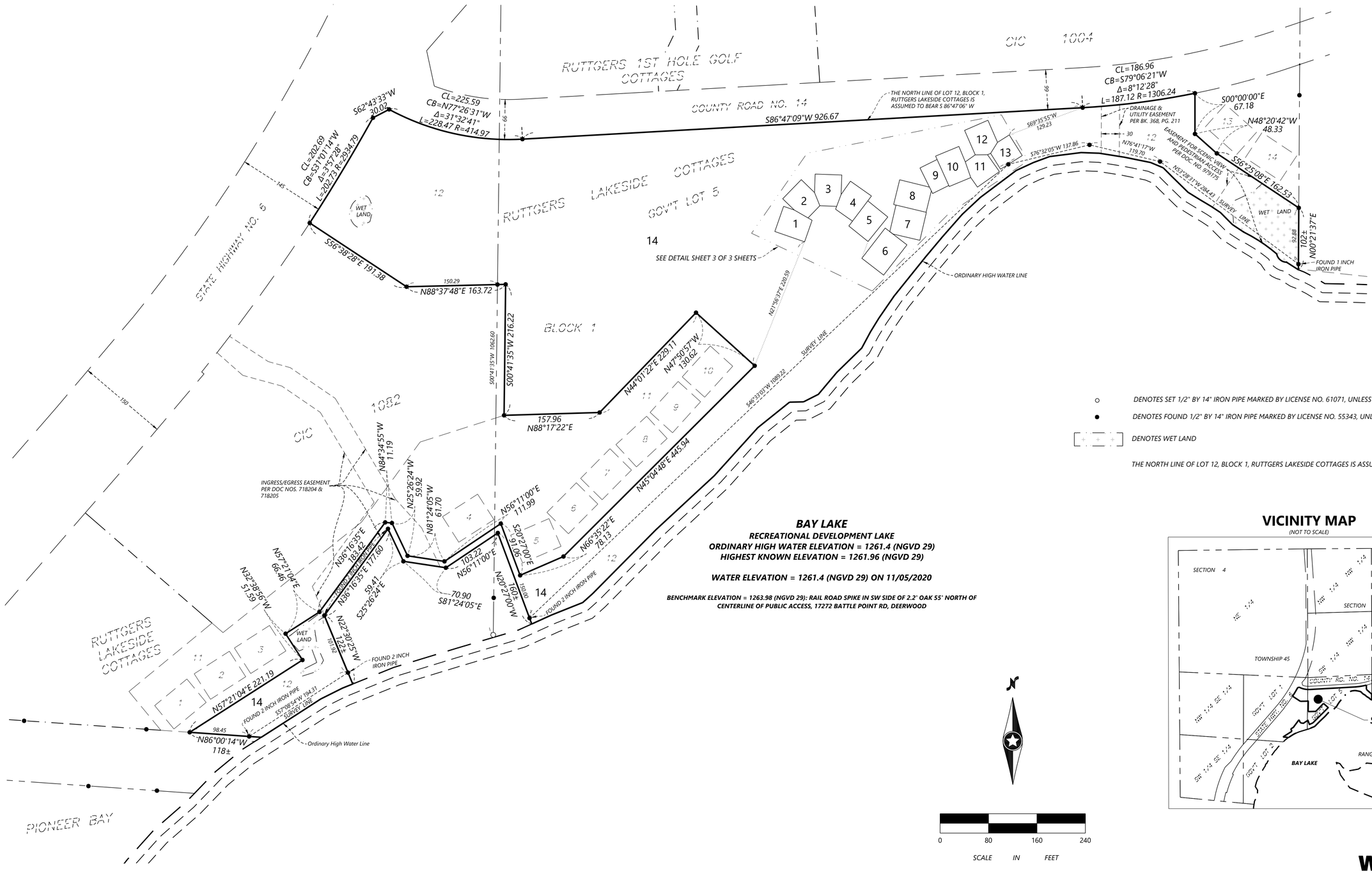
By _____ *By* _____
Crow Wing County Recorder *Deputy Recorder*

The plat of ***RUTTGERS LAKESIDE COTTAGES 2ND ADDITION*** *was approved by the Crow Wing County Board of Commissioners, Crow Wing County, Minnesota on this _____ day of _____, 20_____.*

By _____
Chairman

Westwood
Professional Services, Inc.

RUTTGERS LAKESIDE COTTAGES 2ND ADDITION



○ DENOTES SET 1/2" BY 14" IRON PIPE MARKED BY LICENSE NO. 61071, UNLESS OTHERWISE NOTED.

● DENOTES FOUND 1/2" BY 14" IRON PIPE MARKED BY LICENSE NO. 55343, UNLESS OTHERWISE NOTED.

DENOTES WET LAND

THE NORTH LINE OF LOT 12, BLOCK 1, RUTTGERS LAKESIDE COTTAGES IS ASSUMED TO BEAR S 86°47'06" W

BAY LAKE
RECREATIONAL DEVELOPMENT LAKE
ORDINARY HIGH WATER ELEVATION = 1261.4 (NGVD 29)
HIGHEST KNOWN ELEVATION = 1261.96 (NGVD 29)

WATER ELEVATION = 1261.4 (NGVD 29) ON 11/05/2020

BENCHMARK ELEVATION = 1263.98 (NGVD 29): RAIL ROAD SPIKE IN SW SIDE OF 2.2' OAK 55' NORTH OF CENTERLINE OF PUBLIC ACCESS, 17272 BATTLE POINT RD, DEERWOOD

0 80 160 240

SCALE IN FEET

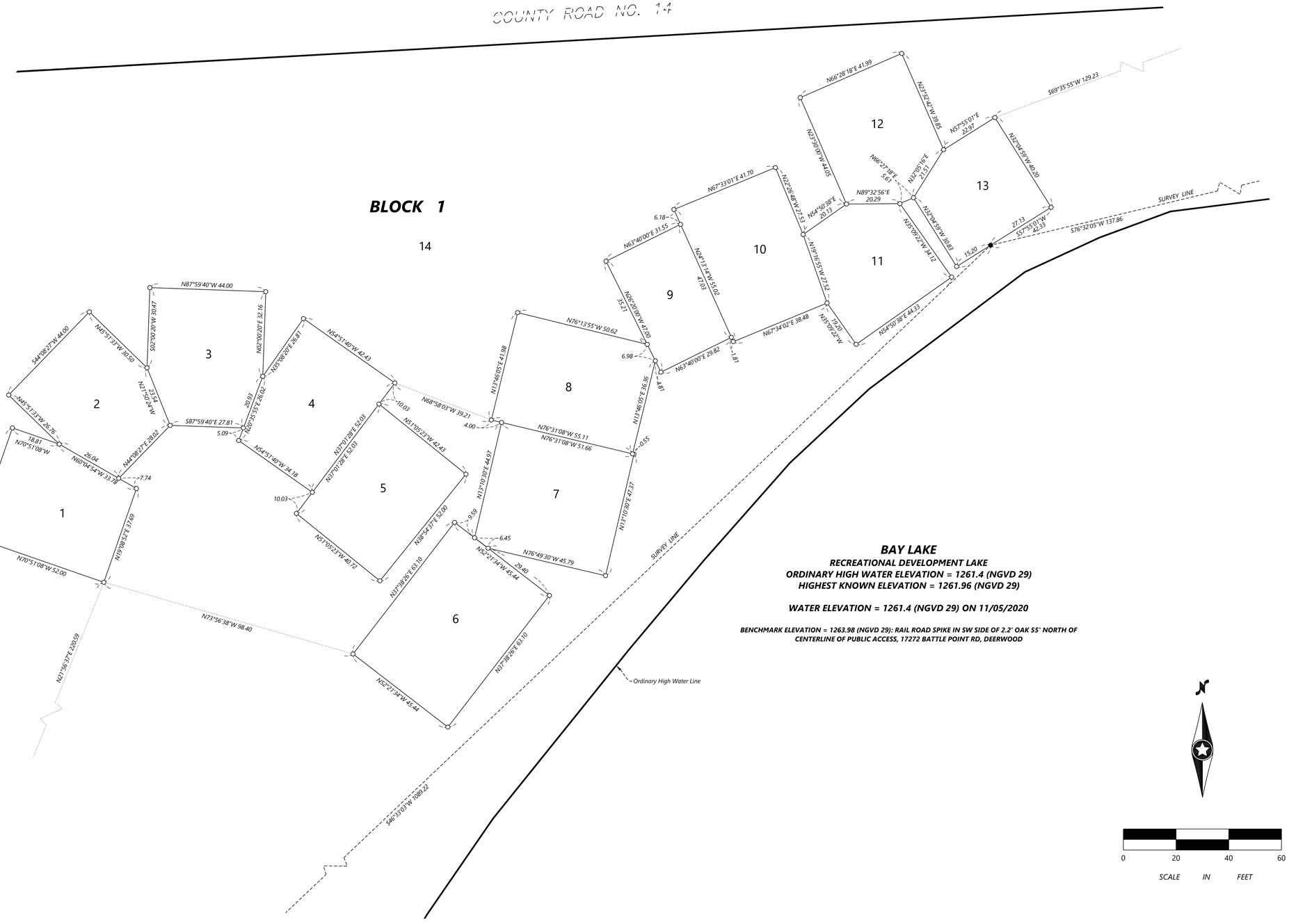
VICINITY MAP

(NOT TO SCALE)

Westwood
Professional Services, Inc.

RUTTGERS LAKESIDE COTTAGES 2ND ADDITION

DETAIL



BAY LAKE
RECREATIONAL DEVELOPMENT LAKE
ORDINARY HIGH WATER ELEVATION = 1261.4 (NGVD 29)
HIGHEST KNOWN ELEVATION = 1261.96 (NGVD 29)

WATER ELEVATION = 1261.4 (NGVD 29) ON 11/05/2020

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0 20 40 60

SCALE IN FEET

Westwood
Professional Services, Inc.

RUTTGERS LAKESIDE COTTAGES 2ND ADDITION

NORTH 1/4 CORNER
SEC. 4, TWP. 45, RNG. 28
FOUND CIM

NE 1/4

2653.29'

WEST 1/4 CORNER
SEC. 4, TWP. 45, RNG. 28
FOUND NO. 5 REBAR

N87°26'50"W 5312.25

2658.96

NORTHWEST CORNER
SEC. 3, TWP. 45, RNG. 2
FOUND IRON PIPE

2658.60'
N00°17'28"W

WEST 1/4 CORNER SEC. 3, AND
EAST 1/4 CORNER SEC. 4, TWP.
45, RNG. 28
FOUND IRON PIPE

SW 1/4 NW 1/4

N87°05'18"E 5287.32

1321.92

NORTHEAST CORNER
SEC. 3, TWP. 45, RNG. 28

146.20
N88°34'37"E

WEST 1/4 CORNER OF SEC. 3,
TWP. 45, RNG. 28
FOUND 1.25" IRON PIPE

2424.37'
S00°02'23"W

3965.39'

REFERENCE MONUMENT TO
SECTION CORNER
FOUND ALUMINUM CAP

EAST LINE OF GOV'T LOT 5
SEC. 3, TWP. 45, RGE. 28

238.87'

1417.60'
S00°34'44"E

MEANDER CORNER 26 OF
SEC. 3, TWP. 45, RNG. 28
PER CROW WING COUNTY
SECTION BREAKDOWN

RUTTGERS 1ST HOLE GOLF
COTTAGES

CIC 1004

FOUND
IRON PIPE

185.92'
N00°21'37"E 517.67'

GOV'T LOT 5

FOUND 1 INCH
IRON PIPE

RUTTGERS LAKESIDE COTTAGES

GOV'T LOT 5

SECTION 4
TOWNSHIP 45
RANGE 28

SECTION 3
TOWNSHIP 45
RANGE 28

STATE HIGHWAY NO. 6

GOV'T LOT 1

1293.16'

NW 1/4 SE 1/4

500°41'35"W 1062.60'

CIC 1082

N00°27'05"W 5091.63'

RUTTGERS
LAKESIDE
COTTAGES

MEANDER CORNER 27
OF SEC. 3 AND SEC. 4,
TWP. 45, RNG. 28

FOUND IRON PIPE

FOUND IRON PIPE

FOUND IRON PIPE
LS10798

N86°00'14"W 2145±

SOUTH LINE OF GOV'T LOT 1
SEC. 4, TWP. 45, RGE. 28

100'

FOUND IRON PIPE

NORTH LINE OF GOV'T LOT 2
SEC. 4, TWP. 45, RGE. 28 AND
NORTH LINE OF PIONEER BAY

FOUND IRON PIPE

PIONEER BAY

SW 1/4 SE 1/4

1293.16'

GOV'T LOT 2

INTERSECTION OF THE SOUTH LINE OF SEC. 4,
TWP. 45, RNG. 28 AND THE EASTERLY
RIGHT-OF-WAY OF STATE HIGHWAY 6
FOUND 1 INCH IRON PIPE

905.03

S84°33'09"E

SOUTH 1/4 CORNER
SEC. 4, TWP. 45, RNG. 28
FOUND 1 INCH IRON PIPE

SOUTH LINE OF SEC. 4,
TWP. 45, RGE. 28

○ DENOTES SET 1/2" BY 14" IRON PIPE MARKED BY LICENSE NO. 61071, UNLESS OTHERWISE NOTED.

● DENOTES FOUND 1/2" BY 14" IRON PIPE MARKED BY LICENSE NO. 55343, UNLESS OTHERWISE NOTED.

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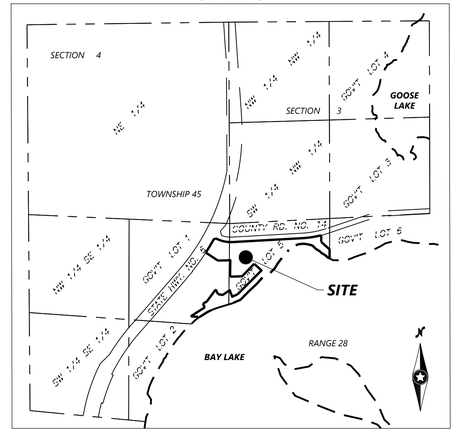
N

0 100 200 300

SCALE IN FEET

VICINITY MAP

(NOT TO SCALE)



Westwood
Professional Services, Inc.

04-14-2026

Crow Wing County

Land Service Department

322 Laurel Street, Suite 14

Brainerd, Minnesota 56401

RE: RUTTGERS LAKESIDE COTTAGES 2ND ADDITION

Crow Wing County Land Service Department:

I have reviewed and checked the proposed final plat of RUTTGERS LAKESIDE COTTAGES 2ND ADDITION in regards to the mathematical correctness and the requirements of the most current; Minnesota Platting Statutes, Chapter 505 and the current Manual of Guidelines for Platting in Minnesota, a joint publication of the Minnesota Society of Professional Surveyors (MSPS) and Minnesota Association of County Surveyors (MACS).

The plat dedication which includes the legal description, dedication statements, owner's signatures and other approving signatures conforms to the plat drawing and information provided to form. This independent plat review does not include a title review to confirm the use of the proper plat boundary description or ownership of the subject property being platted.

A field inspection to confirm the placement of the required boundary, plat and lot corners has not been performed.

Based on these conditions I find the plat to conform to the above statutes, regulations and publications.

I hereby certify that this report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the state of Minnesota.

Name of Surveyor

Signature: _____ Typed or Printed Name: Jordan Chouanard

Date: 4-14-2026 License Number: 57077

COMMON INTEREST COMMUNITY NO. XXXX

A PLANNED COMMUNITY

EASTSIDE CABINS

DECLARATION

Blackburn IM Ruttgers SVP, LLC, a Minnesota limited liability company ("Declarant"), makes this Declaration ("Declaration") on this _____ day of _____, 2026, to create Eastside Cabins, a planned community, pursuant to Minnesota Statutes Chapter 515B, known as the Minnesota Common Interest Ownership Act (the "Act").

RECITALS

A. Declarant owns certain real property in Crow Wing County, Minnesota ("County") legally described on the attached Exhibit A attached hereto, and Declarant desires to submit said real property and all improvements thereon (collectively, the "Property") to the Act, as a planned community.

B. Declarant also owns certain real property legally described in Exhibit B attached hereto ("Additional Real Estate") and has the option to add all or a part of the Additional Real Estate to the Property.

C. Declarant desires to establish on the Property, and any Additional Real Estate added thereto, a plan for a permanent resort community to be owned, occupied and operated for the use, health, safety and welfare of its resident Owners and Occupants as part of Ruttger's Bay Lake Resort ("Resort"), and for the purpose of preserving the value, the structural quality, and the architectural and aesthetic character of the Property in harmony with the Resort.

D. The Resort and the Property are governed by the County's Land Use Ordinance as a conditional use and are subject to, and must be owned, operated, managed and maintained in compliance with, the County's zoning, land use, subdivision and other ordinances, regulations, requirements, restrictions, approvals, permits and licenses applicable to the Resort and the Property ("County Requirements").

E. Declarant has formed Eastside Cabins Owners' Association ("Association") under Minnesota Statutes Chapter 317A, to serve as the unit owners' association as described the Act for the Property as described and provided herein.

F. The Property is not subject to an ordinance referred to in Section 515B.l-106 of the Act, governing conversions to common interest ownership, and is not subject to a master association as defined in the Act.

THEREFORE, Declarant makes this Declaration and submits the Property to the Act as a planned community under the name "Eastside Cabins," initially consisting of the Units referred to in Section 2, declaring that this Declaration shall constitute covenants to run with the Property, and that the Property, and any Additional Real Estate added to the Property, shall be owned, used, occupied and conveyed subject to the covenants, restrictions, easements, charges and liens set forth in this Declaration, all of which shall run with title to the Property and shall be binding on all Persons owning, having or acquiring any right, title or interest in the Property, or any part of it, and their heirs, personal representatives, successors and assigns.

SECTION 1
DEFINITIONS

The following terms when used in the Governing Documents shall have the following meanings (unless the context clearly indicates otherwise):

1.1 Act" means Minnesota Statutes Chapter 515B, the Minnesota Common Interest Ownership Act, as amended.

1.2 "Additional Real Estate" means the real property legally described on the attached Exhibit B, including all improvements located thereon now or in the future, and all easements and rights appurtenant thereto, which property Declarant has the right to add to the Property.

1.3 "Articles" means the Association's Articles of Incorporation, as they may be amended from time to time.

1.4 "Assessments" means all assessments and other amounts levied or assessed by the Association for Common Expenses pursuant to and in accordance with the Governing Documents.

1.5 "Association" means Eastside Cabins Owners' Association, a nonprofit corporation created pursuant to the Nonprofit Corporation Act and Section 515B.3-101 of the Act, whose members consist of all Owners.

1.6 "Board" means the Association's Board of Directors as provided for in the Bylaws.

1.7 "Building" means a structure which is or becomes a part of the Property and which contains one or more than one Dwelling.

1.8 "Building Exterior" means only the following exterior portions of a Building located in or on a Unit: paint, roof, siding, fascia, trim, exterior doors, chimney chases, exterior lighting, unit identification signs, sidewalks and landscaping immediately adjacent to a Building.

1.9 "Bylaws" means the bylaws governing the Association's operation, as they may be amended from time to time.

1.10 "Common Elements" means all parts of the Property except the Units, including all improvements thereon, owned by the Association for the common benefit of the Owners and Occupants, and their guests and invitees. The Common Elements are legally described in Exhibit C attached hereto.

1.11 "Common Expenses" means and includes all expenditures made or liabilities incurred by or on the Association's behalf and incident to its operation, including without limitation, allocations to reserves and those items specifically identified as Common Expenses in the Declaration or Bylaws.

1.12 "County" means Crow Wing County, Minnesota.

1.13 "Dwelling" means all or part of a Building consisting of one or more floors, designed and intended for occupancy as short or long-term living quarters for one or more persons.

1.14 "Eligible Mortgagee" means any Person owning a mortgage on any Unit, which mortgage is first in priority to all other mortgages that encumber the Unit, that has requested, in writing, notification from the Association about any proposed action which requires approval by a specified percentage of the Eligible Mortgagees.

1.15 "Fractional Interest" means an undivided fee interest in a Unit, together with the exclusive right to use and occupy the Unit, and the non-exclusive right to use and occupy the Common Elements, during intermittent or interval periods of time, as designated in the declaration or other instrument creating the Fractional Interests.

1.16 "Governing Documents" means this Declaration, the Articles, and the Bylaws, as they may be amended from time to time, all of which will govern the Property's use and operation.

1.17 "Governmental Regulations" means all federal. state, county or municipal laws, rules, ordinances, regulations, directives, orders and requirements, including but not limited to, all County and Township ordinances and regulations now in force or which may later be in force which are applicable to the Property.

1.18 "Limited Common Elements" means a portion of the Common Elements allocated by this Declaration or by operation of Section 515B.2-l09(c) or (d) of the Act for the exclusive use of one or more, but fewer than all, of the Units.

1.19 "Manager" means the Person (who may be the Resort Owner, the Resort Operator, or the Declarant, or its successors or assigns) with relevant professional experience and expertise managing similar resort properties retained by the Association and approved by the Resort to manage, conduct the affairs of and/or perform certain functions of the Association pursuant to a Property Management Agreement.

1.20 "Member" means a Person who is a member of the Association by virtue of being an Owner. The words "Owner" and "Member" may be used interchangeably in the Governing Documents.

1.21 "Nonprofit Corporation Act" means the Minnesota Nonprofit Corporation Act, Minnesota Statutes Chapter 317A, as it may be amended.

1.22 "Occupant" means any Person or Persons, other than an Owner, in possession of or occupying a Unit or Dwelling or portion thereof.

1.23 "Owner" means a Person or Persons who owns a Unit, excluding a Mortgagee, contract for deed vendor, lessee, guest, holder of a reversionary life estate interest or other secured party within the meaning of Section 515B.1-103(29) of the Act, but including any holder of a life estate and contract for deed vendees.

1.24 "Person" means a natural person, corporation, limited liability company, partnership, limited partnership, trust, limited liability partnership or other legal entity.

1.25 "Plat" means the recorded plat or plats depicting the Property pursuant to the requirements of Section 515B.2-1101(d) of the Act, and satisfying the requirements of Minnesota Statutes Chapter 505, including any amended or supplemental plat recorded from time to time in accordance with the Act.

1.26 "Property" means all of the real property submitted to this Declaration, including the Dwellings and all other structures and improvements located thereon now or in the future. The Property is described on Exhibit A attached hereto.

1.27 "Property Management Agreement" means an agreement between the Association and the Manager regarding the management of and/or the performance of certain functions of the Association.

1.28 "Qualified Rental Manager" means a professional rental management company who rents a Unit for an Owner as part of a Rental Management Program pursuant to a Rental Management Agreement. The Resort Operator is and shall be a Qualified Rental Manager.

1.29 "Rental Management Agreement" means an agreement between an Owner and a Qualified Rental Manager related to the lease and rental of a Dwelling located on the Property.

1.30 "Rental Management Program" means a program of offering for rent, renting, managing and operating a Unit or Units for transient and short-term rental for recreational or vacation purposes within the Property.

1.31 "Resort Operator" means the Person, who may be the Declarant or an affiliate thereof, retained by the Resort Owner to manage and operate the Resort. If the Resort Owner does not retain a separate Person to manage and operate the Resort but manages the Resort directly, then the Resort Owner shall be considered the Resort Operator.

1.32 "Resort Owner" means the owner of the Resort, and its successors and assigns. As of the date of this Declaration, the Declarant is the Resort Owner.

1.33 "Rules" means the Association's rules and regulations as approved by the Board from time to time.

1.34 "Township" means Bay Lake Township located in Crow Wing County, Minnesota.

1.35 "Unit" means any platted lot subject to this Declaration upon which a Dwelling is located or intended to be located, as described in Section 2.1 and shown on the Plat, including all improvements thereon, but excluding the Common Elements.

SECTION2
UNIT DESCRIPTIONS AND EASEMENTS

2.1 Units. There are 13 Units currently subject to this Declaration. subject to Declarant's right to add additional Units as provided in this Declaration. Each Unit constitutes a separate parcel of real estate. The locations of the Units are as shown on the Plat, which is incorporated by reference. The identifier for each Unit shall be the Unit's lot and block numbers and the subdivision name. Subject to Governmental Regulations, additional Units may be created by the subdivision or conversion of Units pursuant to Section 515B.2-112 of the Act, or the number of Units may be reduced by combining Units pursuant to the same section of the Act.

2.2 Unit Boundaries. The front, rear and side boundaries of each Unit shall be the lot or boundary lines of the platted lot upon which a Dwelling is located or intended to be located, as shown on the Plat. The Units shall have no upper or lower boundaries. Subject to Sections 2 and 3, all improvements within the boundaries of a Unit are a part of the Unit.

2.3 Recorded Easements. In addition to the easements set forth in this Declaration, the Property will be subject to and benefited by such other easements as may be recorded against the Property or as otherwise shown on the Plat. Any recorded easement benefitting or burdening the Property will be construed in a manner consistent with, and not in conflict with, the easements this Declaration creates.

2.4 Easement for Maintenance, Repair. Replacement and Reconstruction. Each Unit, and the rights of Owners and Occupants thereof, will be subject to an exclusive, appurtenant easement in favor of the Association, including, without limitation, the Manager and any other management agent or service vendor retained thereby, on, in, over and across the Unit for the purposes of maintenance, repair, replacement and reconstruction of the portions of the Dwellings and other improvements located within the Units, and utilities serving the Units, to the extent necessary to fulfill the obligations of the Association under the Governing Documents, or for making emergency repairs necessary to prevent damage to any Unit, the Common Elements or other property.

2.5 Use and Enjoyment Easements. Each Unit and its respective Owners shall be subject to and the beneficiary of a perpetual, non-exclusive, appurtenant easement for the use and enjoyment on and across any Common Elements, and for the use and enjoyment of any Limited Common Elements allocated to the Unit, subject to any restrictions contained in or authorized by the Governing Documents. Each Owner shall have the nonexclusive right to use any Common Elements in common with all other Owners as may be reasonably required for the use, occupancy and enjoyment of each Owner's Unit. Each Owner shall have the right to the exclusive use and possession of any Limited Common Elements contiguous to or otherwise assigned to the Owner's Unit

unless such Limited Common Elements are intended to serve more than one Unit, in which case such respective Owners shall have a shared exclusive easement for the use of such Limited Common Elements.

2.6 Access Easements. Each Unit and its respective Owners shall be subject to and the beneficiary of a perpetual, non-exclusive, appurtenant easement in common with all other Owners for access, ingress and egress to and from the Unit to a public street on, over or across any portions of the Common Elements which may be improved for use as streets, roads, driveways, sidewalks or trails, subject to any restrictions set forth in the Governing Documents or Rules. In addition, each Unit and its respective Owners shall be the beneficiary of the following easements over and across Lot 12, Block 1 in the Plat, for access, ingress and egress to and from the Unit to County Road No. 14:

2.6.1 That certain Ingress/Egress Easement Agreement recorded December 17, 2025, as Document No. 1018429 in the Office of the County Recorder of Crow Wing County, Minnesota.

2.6.2 That certain Amendment to Ingress/Egress Easement Agreement recorded _____, 2026, as Document No. _____ in the Office of the County Recorder of Crow Wing County, Minnesota.

2.7 Public Health and Safety Easements. There shall be non-exclusive easements in favor of applicable governmental authorities upon and across the Property and each Unit for reasonable access to perform such duties related to law enforcement, fire protection, life safety, health and sanitation as reasonably required from time to time.

2.8 Encroachment Easements. Each Unit and the Common Elements, and the rights of the Owners and Occupants therein, shall be subject to an exclusive easement for encroachments in favor of the adjacent Units for any improvements which are part of the original construction of the adjacent Unit or Property or which are added in compliance with the terms of this Declaration. If there is an encroachment by a Dwelling, or other Building or improvement located on a Unit, upon another Unit or the Common Elements as a result of the construction, reconstruction, repair, shifting, settlement or movement of any part of the Property, or if by reason of the design or construction of utility systems and ventilation systems, any main, pipe, duct or conduit serving more than one Unit encroaches upon any part of any Unit, an appurtenant easement for such encroachment, for the use, enjoyment and habitation of any encroaching Dwelling, Building, improvement or Common Elements, and for the maintenance thereof, shall exist for the benefit of such Units and the Association, as the case may be; provided, that with respect to Improvements or alterations added pursuant to the terms of this Declaration, no easement shall exist unless the same has been properly approved, and the proposed improvements constructed, as required by the terms of this Declaration. Such easements shall continue for as long as the encroachment exists and shall not affect the marketability of title.

2.9 Utilities and Services Easements. The Property shall be subject to non-exclusive, appurtenant easements in favor of all public and other utility companies and service providers, the Association, and the Declarant for the installation, use, maintenance, repair and replacement of all utilities, services and operating systems, such as natural gas, electricity, telephone, cable TV, internet, telecommunications, sewer, water, septic systems, wells, electronic communications systems and services, irrigation systems, fire control systems, metering and control devices and conduit, piping, wiring

and other related facilities, which exist from time to time, as constructed as part of the development of the Property, which are referred to in the Plat or otherwise described in this Declaration or any other duly recorded instrument, or which are approved as provided in the Governing Documents. Each Unit shall also be subject to a non-exclusive, appurtenant easement in favor of the other Units and the Association and the Declarant for all such utilities, services and systems. Utilities and services shall be installed, used, maintained and repaired in accordance with the Governing Documents and so as not to interfere with the use and quiet enjoyment of the Units or the Common Elements or affect the structural or architectural integrity of the Units, Dwellings or Common Elements.

2.10 Easements of Declarant. Declarant shall have and be the beneficiary of exclusive easements for purposes of exercising special declarant rights and as otherwise provided herein.

2.11 Easements are Appurtenant. All easements and similar rights burdening or benefitting a Unit or any other part of the Property will be appurtenant thereto, and will be permanent, subject only to termination in accordance with the terms of the easements or the Governing Documents. Any recorded easement benefitting or burdening the Property will be construed in a manner consistent with, and not in conflict with, the easements this Declaration creates.

2.12 Impairment Prohibited. No Person may materially restrict or impair any easement benefitting or burdening the Property, subject to the Declaration and the Association's right to impose reasonable Rules governing the Property's use as provided herein.

2.13 Benefit of Easements. All easements created by this Declaration which benefit a Unit shall benefit the Owners and Occupants of the Unit, and their families and guests.

2.14 Continuation, Scope and Conflict of Easements. Notwithstanding anything in this Declaration to the contrary, no Owner or Occupant shall be denied reasonable access to his, her or its Unit or the right to utility services thereto. The easements set forth in this Section shall supplement and not limit any easements described elsewhere in this Declaration, or otherwise recorded, and shall include reasonable access to the easement areas through the yard areas of Units and the Common Elements for purposes of maintenance, repair, replacement and reconstruction.

2.15 Shoreland. The Property includes shoreland, as defined in Minnesota Statutes Section 103F.205, and may be subject to county, township, or municipal ordinances or rules affecting the development and use of the shoreland area.

SECTION 3
COMMON ELEMENTS

3.1 Common Elements. The Common Elements and their characteristics are as follows:

a. All of the Prope1ty not included within the Units constitutes the Common Elements, including those parts of the Prope1ty designated as Common Elements on the Plat or in the Act. The Common Elements are owned by the Association for the benefit of the Owner and Occupants. Other than any Limited Common Elements, the Common Elements may

be used in common by all Unit Owners, subject to the terms of the Governing Documents. The initial Common Elements are legally described on the attached Exhibit C, and additional Common Elements may be added to the Property as provided herein.

b. Except as otherwise provided in the Governing Documents, the Association will have responsibility to maintain, repair, replace, manage and operate the Common Elements, and will assess and collect the Common Expenses for such activities from the Unit Owners in accordance with this Declaration's terms.

c. The Common Elements will be subject to (i) all easements referred to in the Declaration and recorded against them; (ii) the rights of Owners and Occupants in the Limited Common Elements appurtenant to their respective Units; and (iii) the Association's right to establish reasonable Rules governing the use of the Property and the Common Elements.

3.2 Limited Common Elements. The Limited Common Elements are those parts of the Common Elements reserved for the exclusive use of the Owners and Occupants of the Units to which they are allocated, and the rights to the use and enjoyment of the Limited Common Elements are automatically conveyed with the conveyance of such Units. The Limited Common Elements are described and allocated to the Units as follows:

a. Those items or areas designated as Limited Common Elements on the Plat or by the Act.

b. Chutes, flues, ducts, pipes, wires, conduit or other utility installations, beating walls or columns, or any other components or fixtures serving one or more but fewer than all Units and lying wholly or partially outside the boundaries of the Unit or Units served, and serving only that Unit or Units, are allocated to the Unit or Units they serve. Any portion of such installations serving or affecting the Common Elements is a part of the Common Elements, but is not a Limited Common Element.

c. Any improvements, such as patios, terraces, balconies, shutters, awnings, window boxes, doorsteps, stoops, perimeter doors and windows, and their frames, constructed as part of the original construction to serve a single Unit, and authorized replacements and modifications of them, if located wholly or partially outside of the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit.

d. Heating, ventilating or air conditioning equipment serving only a certain Unit or Units, and located wholly or partially outside the Unit or Unit's boundaries, are allocated to the Unit or Units served by such equipment.

SECTION 4
ASSOCIATION MEMBERSHIP: RIGHTS AND OBLIGATIONS

The following provisions govern membership in the Association and the allocation of votes and Common Expenses:

4.1 Membership. Each Owner shall be a member of the Association by virtue of Unit or Fractional Interest ownership, and the membership shall be transferred with the conveyance of the Owner's interest in the Unit or Fractional Interest. An Owner's

membership shall terminate when the Owner's ownership terminates. When more than one Person is an Owner of a Unit, all such Persons shall be members of the Association, but multiple ownership of a Unit shall not increase the voting rights allocated to such Unit nor authorize the division of the voting rights.

4.2 Voting and Common Expenses. Voting rights and Common Expense obligations shall be allocated equally among the Units; except that special allocations of Common Expenses shall be permitted as provided in Section 6.

4.3 Appurtenant Rights and Obligations. The ownership of a Unit or Fractional Interest includes the voting rights and Common Expense obligations described in this Declaration, and these rights and obligations (and title to the Units or Fractional Interests) may not be separated or conveyed separately. Any conveyance, encumbrance, sale or other transfer of any allocated interest in a Unit, separate from title to the Unit will be null and void. The allocation of the rights and obligations described in this Section may not be changed, except in accordance with the Governing Documents and the Act.

4.4 Voting Authority. The Owner, or some natural person designated to act as proxy on behalf of the Owner, and who need not be an Owner, may cast the vote allocated to such Unit at meetings of the Association; provided that if there are multiple Owners of a Unit, only the Owner or other Person designated pursuant to the provisions of the Bylaws may cast such vote. The voting rights of Owners are more fully described in the Bylaws.

SECTION 5
ADMINISTRATION

5.1 General. The operation and administration of the Association and the Property are governed by the Governing Documents, the Rules and the Act. Subject to Section 5.2, the Association is responsible for the operation, management and control of the Property and shall have all powers described in the Governing Documents, the Act and the Nonprofit Corporation Act. The Association shall have all powers described in the Governing Documents and the Act. All power and authority exercisable by the Association shall be vested in the Board, unless action or approval by the individual Owners is expressly required by the Governing Documents or the Act. All references to the Association shall mean the Association acting through the Board, unless specifically stated to the contrary.

5.2 Operational Purposes. The Association shall operate and manage the Property for the purposes of (i) administering and enforcing the covenants, restrictions, easements, charges and liens set forth in the Governing Documents and the Rules; (ii) maintaining, repairing and replacing those portions of the Property and other property and improvements (if any) for which it is responsible; and (iii) preserving the value and character of the Property.

5.3 Binding Effect of Actions. All of the actions of the Association will be binding upon all Owners and Occupants and any other Person with an interest in the Property.

5.4 Bylaws. The Bylaws will govern the Association's operation and administration and will be binding on all Owners and Occupants.

5.5 Management. The Board has authority to select a Manager and to delegate the management duties imposed upon the Association's officers and directors by the

Governing Documents and the Act. However, such delegation does not relieve the officers and directors of the ultimate responsibility for the performance of their duties as prescribed by the Governing Documents and the Act.

5.6 Rules. The Board shall have exclusive authority to approve and implement such reasonable Rules as it deems necessary from time to time for the purpose of operating and administering the affairs of the Association and regulating the use of the Property. The inclusion in other parts of the Governing Documents of authority to approve Rules shall be deemed to be in furtherance, and not in limitation, of the authority granted by this Section. New or amended Rules shall be effective only after reasonable notice thereof has been given to the Owners.

5.7 Association Assets: Surplus Funds. All funds and real or personal property acquired by the Association shall be held and used for the benefit of the Owners for the purposes stated in the Governing Documents. Surplus funds remaining after payment of or provision for Common Expenses and reserves shall be credited against future Assessments or added to reserves, as determined by the Board.

5.8 Resale Disclosure Certificates. Pursuant to Section 515B.4-l07 of the Act, in the event of a resale of a Unit by an Owner other than Declarant, that Owner shall furnish to the purchaser a resale disclosure certificate containing the information required by Section 515B.4-107{b) of the Act. Pursuant to Section 515B.4-l07(d) of the Act, the Association shall, within ten (10) days after a request by an Owner or the Owner's authorized representative, furnish the resale disclosure certificate. The Association may charge a reasonable fee for furnishing the resale disclosure certificate and any documents related thereto.

SECTION 6
ASSESSMENTS

6.1 Assessments. Subject to any limitations, requirements and procedures set forth in this Section 6 and the Governing Documents, the Board, in its discretion, will determine and make Assessments for Common Expenses against the Units based upon a budget approved by the Board. Assessments for Common Expenses shall include General Assessments and may include Special Assessments and Limited Assessments shall be levied against all Units by the Association as part of the Association's General Assessments, Special Assessments, or Limited Assessments, as applicable. General Assessments and Special Assessments shall be allocated among the Units according to the Common Expense allocations set forth in Section 4.2, and Limited Assessments shall be allocated to the Units as set forth in Section 6.4.

6.2 General Assessments. The Board shall annually establish and levy General Assessments, subject only to the limitations set forth herein. Each General Assessment shall cover all of the anticipated Common Expenses of the Association for that year, which are to be allocated to all Units in accordance with the allocation set forth in Section 4.2. General Assessments shall provide, among other things, for contributions to a separate reserve fund sufficient to cover the periodic cost of maintenance, repair and replacement of the Common Elements and those parts of the Units for which the Association is responsible. General Assessments shall be payable in equal monthly, quarterly or annual installments, as established by the Board.

6.3 Special Assessments. In addition to General Assessments, and subject to the limitations set forth hereafter, the Board may, in its discretion, levy in any assessment year a Special Assessment against all Units in accordance with the allocation formula in

Section 4.2 for the purposes described in this Declaration including defraying in whole or in part (a) the cost of any unforeseen or unbudgeted Common Expense, (b) general or specific reserves for maintenance, repair or replacement, and (c) the maintenance, repair or replacement of any part of the Property, and any fixtures or other property related thereto. Notwithstanding the foregoing, any special assessment shall be subject to approval by the vote of a majority of those Owners voting, in person or by proxy, at a meeting called for that purpose. Written notice of the meeting shall be sent to all Owners not less than 21 days nor more than 30 days in advance of the meeting.

6.4 Limited Assessments. In addition to General Assessments and Special Assessments, the Board may, at its discretion, levy and allocated Limited Assessments among only certain Units in accordance with the following requirements and procedures:

a. Any Common Expenses, or portion thereof, associated with the maintenance, repair, or replacement of a Limited Common Element may be assessed exclusively against the Unit or Units to which that Limited Common Element is assigned on the following basis: (i) the actual cost incurred for each Unit, if known, (ii) square footage of the area being maintained, repaired or replaced, (iii) equality, or (iv) other equitable criteria the Board establishes.

b. Any Common Expenses, or portion thereof, benefitting only some of the Units may be assessed exclusively against the Unit or Units benefitted, on the following basis: (i) the actual cost incurred for each Unit, if known, (ii) square footage of the area being maintained, repaired or replaced as compared to the total square footage, (iii) equality, or other equitable criteria the Board establishes.

c. The costs of insurance may be assessed equally, in proportion to the square footage, value, risk, coverage or actual cost per Unit; the costs of utilities may be assessed in proportion to usage or on the basis of equality; and fees for the use of common amenities (if any) may be assessed equally or in proportion to use.

d. Reasonable attorneys' fees and other costs incurred by the Association in connection with (i) the collection of Assessments or foreclosure of a lien against a Unit Owner or (ii) the enforcement of the Governing Documents, the Act and the Rules, against an Owner or Occupant or their guests, may be assessed against the Owner's Unit and may include late charges, fines and interest.

e. Late charges, fines and interest may be assessed as provided in this Declaration.

f. Assessments levied to pay a judgment against the Association may be levied only against the Units existing at the time the judgment was entered, in proportion to those Units• Common Expense liabilities.

g. If any damage to the Common Elements or another Unit is caused by the act or omission of any Owner or Occupant, or their guests, the Association may assess the costs of repairing the damage exclusively against the Unit Owner and the Owner's Unit to the extent not covered by insurance.

h. If any Assessment or installment of an Assessment becomes more than 30

days past due, then the Association may, upon 10 days written notice to the Owner, declare the entire amount of the Assessment immediately due and payable in full.

1. If Common Expense liabilities are reallocated for any purpose, Assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated Common Expense liabilities.

Assessments levied under Sections 6.4(a)-6.4(f) may, at the Board's discretion, be assessed as a part of, or in addition to, other Assessments levied under this Section 6.

6.5 Reserves. The Association shall include in its annual budgets replacement reserves projected by the Board to be adequate, together with past and future contributions to replacement reserves, to fund the replacement of those components of the Property which the Association is obligated to replace by reason of ordinary wear and tear or obsolescence, subject to the following:

a. The amount annually budgeted for replacement reserves shall be adequate, together with past and future contributions to replacement reserves, to replace the components as determined based upon the estimated remaining useful life of each component; provided that portions of replacement reserves need not be segregated for the replacement of specific components.

b. Annual budgets need not include reserves for the replacement of (i) components that a remaining useful life of more than 30 years. or (ii) components whose replacement will be funded by Limited Assessments associated with the maintenance, repair or replacement of Limited Common Elements, or approved in compliance with Section 6.5(e).

c. The Association shall keep the replacement reserves in an account or accounts separate from the Association's operating funds, and shall not use or borrow from the replacement reserves to fund the Association's operating expenses, provided that this restriction shall not affect the Association's authority to pledge the replacement reserves as security for a loan to the Association.

d. The Association shall reevaluate the adequacy of its budgeted replacement reserves at least every third year after the recording of the Declaration.

e. After the termination of the Declarant Control Period, and subject to approval by (i) the Board, and (ii) Unit Owners, other than the Declarant or its Affiliates, of Units to which a majority of the votes in the Association are allocated, the Association need not annually assess for replacement reserves to replace those components whose replacement is planned to be paid for by Special Assessments or Limited Assessments. The approval provided for in the preceding sentence shall be effective for no more than the Association's current and three following fiscal years, subject to modification or renewal by the same approval standards.

f. Any surplus funds that the Association has remaining after payment of or provision for Common Expenses and reserves shall be (i) credited to the Unit Owners to reduce their future Common Expense Assessments or (ii) credited to reserves, or any combination thereof, as determined by the

Board.

6.6 Working Capital Fund. Declarant has the authority, but not the obligation, to establish a working capital fund to meet unforeseen expenditures or to purchase additional equipment or services for the Association. The Board may include in each subsequent annual budget a reasonable amount of working capital, based upon the anticipated needs of the Association for the year in question. If the fund is established, there shall be contributed on a one-time basis for each Unit sold by the purchaser thereof a non-refundable amount equal to two months installments of the estimated annual General Assessments for the Unit. The contribution shall be paid at the time of closing of sale of the Unit. The contributions to this fund are in addition to the regular monthly installments of Assessments.

6.7 Liability of Owners for Assessments. An Owner's obligation to pay Assessments will commence at the later of (a) the due date for the first Assessment levied by the Board, subject to the alternative assessment program provided in Section 6.14, or (b) the date the Owner acquires title to the Unit. Upon purchasing a Unit, the buyer must pay the Association a pro rata share of the annual Assessments against that Unit if Assessments have been levied. The Owner at the time an Assessment is payable with respect to the Unit shall be personally liable for the share of the Cornn1on Expenses assessed against such Unit. The liability is absolute and unconditional, and shall be joint and several where there are multiple Owners of a Unit. No Owner is exempt from liability for payment of such Owner's share of Common Expenses by right of set-off, by waiver of use or enjoyment of any part of the Property, by absence from or abandonment of the Unit, by the waiver of any other rights, or by reason of any claim against the Association or their officers, directors or agents, or for their failure to fulfill any duties under the Governing Documents or the Act. The Association may invoke the charges, sanctions and remedies set forth in this Declaration, including Section 11, in addition to any remedies provided elsewhere in the Governing Documents, the Rules, or by law, for the purpose of enforcing its rights hereunder.

6.8 Voluntary Conveyances: Statement of Assessments. In a voluntary conveyance of a Unit the buyer shall not be personally liable for any unpaid Assessments and other charges made by the Association against the seller or the seller's Unit prior to the time of conveyance to the buyer, unless expressly assumed by the buyer. However, the lien of such Assessments shall remain against the Unit until released. Any seller or buyer shall be entitled to a statement, in recordable form, from the Association setting forth the amount of the unpaid Assessments against the Unit, including all Assessments payable in the Association's current fiscal year, which statement shall be binding on the Association, seller and buyer.

6.9 Assessment Lien. The Association has a lien on a Unit for any Assessment levied against that Unit from the time the Assessment becomes due. If an Assessment is payable in installments, the full amount of the Assessment is a lien from the time the first installment thereof becomes due. Fees, charges, late charges, fines and interest charges imposed by the Association pursuant to Section 515B.3-102(a) of the Act are liens, and are enforceable as Assessments, under this Section 6. Recording of the Declaration constitutes record notice and perfection of any lien under this Section 6, and no further recordation of any notice of or claim for the lien is required. The release of the lien shall not release the Owner from personal liability unless agreed to in writing by the Association.

6.10 Foreclosure of Lien; Remedies. A lien for Assessments may be foreclosed against a Unit under the laws of the state of Minnesota (a) by action or (b) by

advertisement in a like manner as a mortgage containing a power of sale. The Association, or its authorized representative, shall have the power to bid in at the foreclosure sale and to acquire, hold, lease, mortgage and convey any Unit so acquired. The Owner and any other Person claiming an interest in the Unit, by the acceptance or assertion of any interest in the Unit, grants to the Association a power of sale and full authority to accomplish the foreclosure. The Association shall, in addition to its other remedies, have the right to pursue any other remedy at law or in equity against the Owner who fails to pay any Assessment or charge against the Unit.

6.11 Lien Priority; Foreclosure. A lien for Assessments is prior to all other liens and encumbrances on a Unit except (a) liens and encumbrances recorded before the Declaration, (b) any first mortgage on the Unit, and (c) liens for real estate taxes and other governmental Assessments or charges against the Unit. Notwithstanding the foregoing, if (l) a first mortgage on a Unit is foreclosed, (2) the first mortgage was recorded on or after the date of recording of this Declaration, and (3) no Owner redeems during the Owner's period of redemption provided by Minnesota Statutes Chapters 580, 581, or 582, then the holder of the sheriff's certificate of sale from the foreclosure of the first mortgage shall take title to the Unit subject to unpaid Assessments for Common Expenses levied pursuant to Sections 515B.3-l 15l(a), (e)(l) to (3), (f), and (i) of the Act which became due, without acceleration, during the six months immediately preceding the first day following the end of the Owner's period of redemption.

6.12 Right to Rents upon Default in Paying Assessments. If an Owner shall default in payment of Assessments, the Association to the fullest extent permitted by law, may at its option so long as such default shall continue, demand and receive from any tenant of the Owner or the Qualified Rental Manager, the rent and amounts due or becoming due to Owner, and the payment of such rent to the Association shall be sufficient payment and discharge of such tenant and the Owner for such Assessments to the extent of the amount so paid.

6.13 No Offset. All Assessments shall be payable in the amounts specified in the levy thereof, and no offset or reduction thereof shall be permitted for any reason, including, without limitation, any claim that the Association, the Manager, or any officer, director, employee, agent or representative thereof is not properly exercising its duties and powers under the Governing Documents.

6.14 Declarant's Liability for Assessments. Pursuant to Section 515B.3-l 151 of the Act, Declarant's liability for Assessments shall be subject to the following limitations:

a. Notwithstanding anything to the contrary in the Governing Documents, if a Common Expense Assessment has not been levied by the Association, Declarant shall pay all Common Expenses, including the payment of the replacement reserve component of the common expenses for all Units in compliance with Section 515B.3-l 15 l(a)(l) of the Act.

b. Notwithstanding anything to the contrary in the Governing Documents, if a Common Expense Assessment has been levied by the Association, the Declarant's Common Expense Assessment liability, and the corresponding assessment lien against the Units owned by the Declarant, is limited to: (i) paying when due an amount equal to the full share of the replacement reserves allocated to Units owned by Declarant, as set forth in the Association budget; and (ii) paying when due all accrued expenses of the Association in excess of the aggregate assessments payable with respect to Units owned by persons other than Declarant. However, the common

expense plan described above shall not affect Declarant's obligation to make up any operating deficit pursuant to 515B.3-l 151(2)(iv) of the Act.

c. Declarant's reduced Assessment obligation shall apply to each Unit owned by Declarant at the time that any Assessment is levied against the Unit, and shall terminate upon termination of the Declarant Control Period unless terminated earlier pursuant to 515B.3-1151(2)(iii) of the Act. The alternative assessment program will have no effect on the level of services or amenities for items anticipated by the Association's budget contained on the Disclosure Statement.

SECTION 7
MAINTENANCE

7.1 Association's Maintenance. The Association shall provide for all maintenance, repair or replacement (collectively referred to as "maintenance") of the Common Elements and any Limited Common Elements. The Association's obligations include, without limitation, maintenance and repair of any identification monuments and signs and any Unit or building identification signs. In addition, for the purpose of preserving the architectural character, quality, and uniform and high standards for the appearance of the Property, the Association shall (a) provide for maintenance of the Building Exterior of each Dwelling in each Unit, and (b) provide for maintenance of sidewalks, driveways, irrigation systems, lawns, shrubs, and trees located within the yard areas of the Units, (c) provide for maintenance of all roads within the common interest community, and (d) provide for snow removal from sidewalks and driveways located on the Units. The Association's obligations shall exclude any other items not specifically referred to in this Section, unless otherwise approved under Section 7.2. The Association shall have easements as described in this Declaration to perform its obligations under this Section 7.

7.2 Association's Optional Maintenance. In addition to the maintenance described in this Section the Association may, with the approval of a majority of votes cast in person or by proxy at a meeting called for such purposes, undertake to provide additional exterior maintenance to the Units or Dwellings, or maintenance of water and sewer systems within the Units.

7.3 Owner Maintenance. Except for the specific maintenance to be provided by the Association under Section 7.1 and 7.2, all maintenance of the Dwellings, Units and all Improvements located thereon shall be the sole responsibility and expense of the Owners thereof. Each Owner shall maintain, repair and replace all portions of the Owner's Unit for which such Owner is responsible in a good, clean and sanitary condition free of hazardous substances, vermin, cockroaches, pests and debris which may pose a threat to the health or safety of other Owners and Occupants. Every Owner must perform all cleaning, maintenance and repair work within such Owner's Dwelling, which, if omitted, would affect another Unit or Units, being expressly responsible for the damages and liabilities that his failure to do so may engender. Each Unit Owner shall perform all maintenance responsibilities in such a manner as not to unreasonably disturb other Owners and Occupants, and all such maintenance and repairs shall comply with applicable Rules and Governmental Regulations. Without limiting the generality of the foregoing, the Association may require an Owner to remove offending items, or to use a professional exterminator, and upon failure of the Owner so to do, the Association, after reasonable notice, may enter the Unit or Dwelling with a professional exterminator or other appropriate contractor and take corrective action, charging the Owner of such

7.4 Unit for the reasonable cost thereof. The Association may from time to time establish reasonable standards for the upkeep of Units including without limitation requiring Owners to employ appropriate contractors to take corrective action to upkeep the Owner's Unit so as not to affect the health, safety or welfare of other Unit Owners and Occupants. The Owners and Occupants shall have a duty to promptly notify the Association of defects in or damage to those parts of the Property that the Association is obligated to maintain. All exterior maintenance to be performed by the Owner shall be performed in a good and workmanlike manner in accordance with any standards established by the Association. The Association may also undertake any exterior maintenance that the responsible Owner fails to or improperly performs and assess the Unit for the cost thereof. The Association may require Owners to utilize or contract with specific vendors selected or approved by the Association for the uniformity and enjoyment of the Unit Owners and any and all Occupants and guests.

7.5 Damage Caused by Owner. Notwithstanding any provision to the contrary in this Section, if, in the judgment of the Association, the need for maintenance of any pa11 of the Property is caused by the willful or negligent act or omission of an Owner or Occupant, or their guests, or by a condition in a Unit which the Owner or Occupant has willfully or negligently allowed to exist, the Association may cause such damage or condition to be repaired or corrected (and enter upon any Unit to do so), and the cost thereof may be assessed against the Unit of the Owner responsible for the damage.

7.6 Services. The Association may obtain and pay for the services of any persons or entities, to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine necessary or desirable for the proper operation of the Property, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Property or the enforcement of this Declaration.

7.7 Utilities. Unless the cost of such utilities is paid as pa11 of the Assessments, each Unit Owner shall be responsible at their sole cost and expense to pay directly to the utility providers for any utilities, such as gas, heat, electricity, cable television, telephone, and internet service. The Association may provide a common trash enclosure area and require and provide for a common garbage and refuse pickup services, which shall be Common Expenses paid by the Unit Owners.

7.8 Waiver of Claim. The Association agrees that it shall make no claim against any Unit Owner or Occupant, and each Unit Owner and Occupant agrees that such person shall make no claim against the Association, the Board members, the Association's officers, employees or agents, or against the Manager or its officers, employees or agents, or other Unit Owners or Occupants, for any loss or damage to the Property or to a Unit or personal property, even if caused by the act or neglect of any one or more such persons, due to a peril insured against by casualty insurance purchased by the Association, or any Unit Owner, to the extent of the insurance proceeds recovered under all such insurance policies, and all such claims, to the extent of such recovery, are waived and released; provided, however, that this waiver shall not apply to vandalism or malicious mischief and shall apply only during such time as the applicable policy or policies shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair said policy or policies, or prejudice the right of the insured to recover thereunder, and each Unit Owner, and the Board, agree that their respective insurance policies shall contain such a clause or endorsement, if available at reasonable cost in the opinion of the party insured thereunder.

7.9 Architectural Review. The Property, including the Units, will be developed in accordance with the Declarant's general plan and scheme of development, including the Design Standards, to ensure that the Property, including the Units and Dwellings, are architecturally attractive, substantially uniform in appearance and harmonious with the Resort and its character.

a. ARC Review and Approval. No Dwelling or Improvement of any kind shall be commenced, erected, installed or maintained on the Property except in compliance with the terms of the Design Standards and all applicable Governmental Regulations and unless and until the Plans for such Dwellings or Improvements shall have been reviewed and approved in writing by (i) the Board, or (ii) the Architectural Review Committee ("ARC") if the Board expressly delegates in writing its architectural review functions for the Property to the ARC for approval of improvements shall be submitted to the ARC or the Board, as applicable, and processed in accordance with the procedures and standards as established by the Board. Notwithstanding any delegation of architectural review functions for the Property to the Association, the ARC shall have the overriding power to enforce the procedures and standards established if the ARC determines the Association has or is failing to do so.

b. Declarant's Approval. Declarant's written consent shall also be required for Improvements until each Unit contains a Dwelling for which a certificate of occupancy or other comparable certification has been issued by the applicable governmental entity and the Declarant no longer has the right to subject Additional Prope11y to this Declaration.

c. Declarant Exemptions. Notwithstanding anything contained in this Declaration to the contrary, any Improvements of any nature at any time made or approved by the Declarant, including, without limitation, Improvements made or to be made to the Property, Common Elements, or Additional Real Estate, shall not be subject to the review or other procedures of the ARC, but such Improvements shall comply with applicable Governmental Regulations.

SECTION 8
RESTRICTIONS ON PROPERTY'S USE

All Owners and Occupants, and all parties, by their acceptance or assertion of an interest in the Property, or by their occupancy of a Unit, covenant and agree that, in addition to any other restrictions which the Governing Documents may impose, the occupancy, use, operation, alienation and conveyance of the Property will be subject to the restrictions set out in this Section, which restrictions will nm with the Property and burden and benefit all Owners, Occupants and their heirs, personal representatives, successors and assigns.

8.1 General. The Property shall be owned, conveyed, encumbered, leased, used and occupied subject to the Governing Documents, as amended from time to time. All covenants, restrictions and obligations set forth in the Governing Documents are in furtherance of a plan for the Property, and shall run with the Property and be a burden and benefit to all Owners and Occupants and to any other Person acquiring or owning an interest in the Property, their heirs, personal representatives, successors and assigns.

8.2 Subdivision Prohibited. Except as permitted by the Act and by Declarant as provided in this Declaration, no Unit or any part of the Common Elements may be subdivided or partitioned without the prior written approval of all Owners and all secured parties holding first mortgages on the Units.

8.3 Commercial Resort Use. The Property and the Units are designed and intended primarily for commercial resort purposes. The Units shall be used by Owners and Occupants and their guests primarily for commercial resort purposes, including transient lodging, short-term rentals and accommodations, commercial temporary and seasonal residential occupancy for recreation purposes as part of the Resort and consistent with County Requirements, subject to and in accordance with the terms of the Governing Documents, the County Requirements and all applicable Governmental Regulations. The number of Occupants per Unit may be restricted in accordance with any applicable Governmental Regulations and the County Requirements. The maximum number of nights of owner residence in these units cannot exceed more than 180 nights per calendar year.

8.4 Required Unit Rental. Recognizing that the primary purpose of developing the Property is to provide resort and transient lodging, short-term accommodations, commercial temporary and seasonal residential occupancy for recreation and vacation purposes as part of the Resort, and consistent with County Requirements, the rental of all completed Dwellings located on Units shall be required subject to and in accordance with the rental requirements and restrictions provided in Section 7.4. All Units must be offered for rent through a Rental Management Program pursuant to a Rental Management Agreement with a Qualified Rental Manager.

8.5 Qualified Rental Manager. To protect the name and reputation of the Resort by ensuring consistency in experience for those staying in any Unit and to maintain uniform and professional quality standards with the objective of enhancing the desirability, reputation and livability of all Units, each Owner is prohibited from renting their Unit other than through a Qualified Rental Manager.

8.6 Time Shares. The time share form of ownership, or any comparable form of

lease, occupancy rights or ownership which has the effect of dividing the ownership or occupancy of a Unit into separate time periods, is prohibited except as provided in this Section 8.6. For so long as the Declarant owns a Unit, Declarant shall have the right, without the approval or consent of the Association or the Owners, to divide the ownership of any one or more Units into Fractional Interests, as follows:

8.6.1 Fractional Interests. Declarant shall have the right to divide the ownership of any one of more Units into Fractional Interests, including (with the Unit Owner's written consent) Units already conveyed by Declarant to an Owner other than the Declarant.

8.6.2 No Assurances. There are no assurances as to the times at which one or more of the Units may be divided into Fractional Interests. Declarant is under no obligation to divide any one or more of the Units into Fractional Interests.

8.6.3 Allocation of Votes and Common Expense Obligations. Upon such division, the allocation of votes and Common Expense obligations allocated to the Unit will be fractionalized among the Fractional Interests, as set forth in the declaration or other instrument creating the subdivision of the Unit or Units into Fractional Interests.

8.6.4 Association Lien. The Association lien for any Assessments levied against a Fractional Interest will apply only to the Fractional Interest and not to the other Fractional Interests in the Unit.

8.6.5 First Mortgage. A Person owning a recorded mortgage on any Fractional Interest, which mortgage is a first in priority upon foreclosure to all other mortgages that encumber such Fractional Interest, and which has met the notice requirements set forth in Section 1, shall be deemed an Eligible Mortgagee for all purposes under this Declaration.

8.6.6 Notice. Any notice required to be made to a Unit Owner under this Declaration shall be provided to the Owners of each Fractional Interest.

8.6.7 Rights and Obligations. Except as otherwise set forth in this Declaration, the Owners of Fractional Interests will have the same rights and obligations as all other Owners, except that the right of the Owner of a Fractional Interest to use the Common Elements may be limited to those intervals of time during which the Fractional Interest Owner is permitted to use the Unit, as set forth in the declaration or other instrument creating the Fractional Interests.

8.6.8 Maximum Number of Fractional Interests. No Unit may be subdivided into more than four (4) Fractional Interests, and the total number of Fractional Interests created with the Property, assuming that the maximum number of Units are added to the Property, is 92.

8.7 Quiet Enjoyment; Nuisances. All Owners, Occupants and their guests, employees, tenants and invitees will use the Property in such a lawful manner as will not cause a nuisance, disturb the peace, quiet, comfort or safety of, or unduly restrict, interfere with or impede the use and enjoyment of the Property by other Owners, Occupants and their guests, employees, tenants and invitees. No noxious, offensive or dangerous activity shall be carried on in or upon any Unit or the Common Elements, nor shall any material be kept or anything be done therein, either willfully or negligently, which may become an annoyance or a nuisance to other Unit Owners or Occupants, including without limitation, any offensive, foul or strong odors; continuous, repeated loud sounds or music; accumulation of trash or debris; decorations or bright outdoor lights which cause glare to neighboring property; violations of this Declaration's use and occupancy restrictions; and any other conduct, activity or use which would otherwise meet the definition of a "general nuisance" or "public nuisance" under common law or applicable Governmental Regulations. No construction activities, gatherings, and other events or activities that cause unreasonable noise shall be permitted between 10:00 P.M. and 7:00 A.M. without the Association's prior approval.

8.8 Compliance with Law. No use will be made of the Property which would violate any then-existing Governmental Regulations, nor will any act or use be permitted which could cause waste to the Property, cause a material increase in insurance rates on the Property, or otherwise cause any unusual liability, health or safety risk, or expense, for the Association or any Owner or Occupant.

8.9 Exterior Exposure. No Unit Owner or Occupant shall cause or permit anything (including clothes, sheets, blankets, flags, laundry of any kind or other articles) to be hung, displayed, exposed or placed in windows (except for draperies, blinds, shades or natural plants), on the outside of exterior doors or walls, or on patios or railings without the Association's prior, written consent. The Board may promulgate Rules concerning uniform and harmonious window treatments.

8.10 Hazardous Materials: Waste: Energy Conservation. No storage of hazardous or flammable materials is allowed on the Property except for reasonable quantities of usual household materials. No Unit Owner or Occupant shall permit anything to be done or kept in such Owner's Unit or in the Common Elements which will result in the cancellation of insurance on the Property or the contents thereon or which would be in violation of any Governmental Regulation. No waste shall be committed in the Common Elements. Water, heat, air conditioning, electricity and other forms of energy or utilities shall not be wasted but instead shall be conserved.

8.11 Outside Storage. Outside storage or placement on the Common Elements or any part of the Property of any garbage, trash, rubbish, furniture, or objects of any kind by any Owner or Occupant shall be strictly prohibited, except as the Governing Documents or the Association may otherwise authorize. Each Unit may have typical

patio furniture located on a patio, deck, terrace or balcony directly adjacent to the Unit if in compliance with Governmental Regulations, but no other type of furniture, appliance, or other items shall be allowed and such areas shall be used for no other purpose than for the normal use for which they are intended. No outdoor grill or oven (whether gas, charcoal or electric) may be located on or used on Unit decks/patios or any portion of the Unit, unless permitted by the Association. The Association may have a common grilling area for Unit Owners' use.

8.12 Parking. Exterior parking areas on the Property will be used only for parking of automobiles owned or leased by Owners and Occupants and their guests, and such incidental uses as the Association may authorize. No parking on any lawn or landscaped areas is permitted. The use of driveways, roadways and parking areas on the Property, and the types of vehicles and personal property permitted on them, will be subject to regulation by the Association. No Person shall block access to any parking area and parking shall be permitted only in designated parking areas.

8.13 Vehicle Storage. No boats, snowmobiles, trailers, camping or recreational vehicles, buses, camper tops, all-terrain vehicles, tractor/trailers, commercial vehicles, trucks classified as Class 4 or higher, or unlicensed or inoperable vehicles will at any time be stored or parked on any part of the exterior parking areas of the Property. No vehicle with leaking oil or other noxious fluids may remain anywhere on the Property. Except for emergency repairs on vehicles registered to the Owners or Occupants of the Unit, no repairs or adjustment to motor vehicles may be completed on the Property.

8.14 Signs.

a. Units. No signs, flags, advertisement, poster, political sign, or any other sign of any kind may be placed on the exterior of a Unit, on the patio/deck railings, or in a window such that it could be seen from the outside of the Unit except for a standard Unit identification sign approved by the Association. No "for sale" or "for rent" signs may be placed anywhere on the Unit to be visible from outside the Unit except for Declarant's signs or as permitted by Declarant.

b. Common Elements. No sign, advertisement, or poster of any kind shall be permitted on the Common Elements unless initially constructed by the Declarant, specifically allowed by this Declaration, or approved by the Association in writing. Other than signs of Declarant as set out below, no "for sale" or "for rent" sign may be located on any portion of the Common Elements.

c. Board Rules. The Board may establish Rules further regulating the size, type and design of signs and other displays which are visible from the exteriors of Units.

d. Declarant's Signs. Notwithstanding the foregoing, so long as Declarant owns a Unit held for sale, Declarant shall have the right, without the consent of any Person or the Association, to install such signs, poles, posters, or advertisements as it deems necessary and appropriate in any location on the

Property in connection with its sales programs or the sale or lease of Units by Declarant.

8.15 No Window Alterations. No film or coating may be applied to the interior or exterior of a window which may darken, make reflective, or alter the color or appearance of a window as viewed from outside, without the prior, written consent of the Association. Styrofoam, cardboard, newspaper, bed sheets, reflective foil, flags, or similar items may not be used as window coverings in any Unit. All window treatments shall be constructed for use as draperies, curtains, or blinds.

8.16 Awnings. No awnings or shades shall be erected over and outside of the windows, nor shall any articles or structures be hung or placed on any outside window sills, without the Association's prior, written consent or as initially constructed or approved by Declarant.

8.17 Wiring or Penetrations. No satellite dishes or exterior wiring shall be installed nor shall there be penetrations of the walls, window frames, or roofs of the exterior of a Building or a Unit except as authorized by the ARC or as part of the initial construction of a Unit or a Building by the Declarant.

8.18 Impairment of Building. Nothing shall be done, placed, installed or erected in any Unit or in, upon or to the Common Elements, which would impair the structural or mechanical integrity or sound insulation quality of the Buildings in which Dwellings are located or which would structurally change any of them except as otherwise provided in this Declaration.

8.19 No Obstructions. The sidewalks, walkways, entrances, driveways, parking areas and Common Elements shall not be obstructed or used for any other purpose than ingress to and egress from the Units and parking areas except as permitted in the Governing Documents or with the Board's prior, written consent.

8.20 Cable System Access. If the Declarant or Resort Owner authorizes or requires any sort of master cable or community telephone, television, internet or data system, each Unit Owner authorizes access to such Owner's Unit upon reasonable notice for the purpose of installing the conduits and fixtures necessary to serve such Unit, without regard to whether the Owner then elects to subscribe to or use such system. No satellite dishes may be placed on the exterior of the building except in a common location authorized by the Association.

8.21 Bicycles. Except for the designated bike racks, bicycles shall not be left unattended on the Common Elements and shall not be stored on porches, decks, patios, or balconies.

8.22 Machines. No Owner shall overload the electrical wiring in the Property or operate any machines, appliances, accessories, or equipment in such a manner as to cause an unreasonable disturbance to others.

8.23 Rules. The Board may adopt and amend other Rules reasonably relating to the enjoyment of the Property by Owners and Occupants.

8.24 Plantings. Except for the Declarant's construction and as permitted by the ARC, no gardens, shrubs, trees, flowers, or other plants shall be planted by any Person on any p011ion of the Units, Common Elements or Limited Common Elements.

8.25 Construction. The Association may regulate hours and days permitting construction and/or remodeling of Units. Only contractors approved by the Association may complete work in or on a Unit. The Association may require lien waivers, insurance, license verification, damage deposits, and other reasonable assurances for any construction work to be completed by a Unit Owner. The Association may regulate the moving and storage of construction materials on the Property, the parking of construction vehicles and other matters concerning construction activities on the Property or in the Units.

8.26 Exterior Lighting. Except for exterior lighting initially constructed or approved by Declarant, no exterior lighting, or changes to existing exterior lighting, shall be allowed without the approval of the ARC. No lighting shall be allowed which produces glare onto adjacent properties or Units.

SECTION9
INSURANCE

9.1 Required Coverage. Commencing not later than the time of the first conveyance of a Unit to an Owner other than the Declarant, the Association will obtain and maintain, at a minimum, a master policy or policies of insurance in accordance with the requirements of the Act and this Declaration issued by a reputable insurance company or companies authorized to do business in the State of Minnesota, as follows:

a. Property Insurance. Property insurance for special form covered causes of loss in a total amount of not less than 100% of the insurable "replacement cost" of the Improvements, if any, on the Common Elements (if any) and Units which the Association is obligated to maintain, less deductibles, exclusive of land, foundation, excavation and other items no1mally excluded from prope11Y policies (but including all service equipment and machinery), except such perils as may be separately insured or are uninsurable. The policy or policies shall cover personal property owned by the Association. Such policy or policies will include such additional endorsements, coverages and limits as may be required by regulation of the Federal Housing Administration ("FHA"), the U.S. Department of Veterans' Affairs **("VA"),** or the Federal National Mortgage Association **("FNMA")** as a precondition to their insuring, purchasing or financing a mortgage on a Unit. The Board may also enter into binding written agreements with a mortgagee, insurer or servicer obligating the Association to keep certain specified coverages or endorsements in effect.

The policy or policies shall not cover the Unit Owners' personal property or any of the following items within the Units: (i) ceiling or wall finishing mate1ials, (ii) floor coverings, (iii) cabinetry, (iv) finished millwork, (v) electrical or plumbing fixtures serving a single Unit, (,i) built-in appliances, or (vii) other improvements and betterments, regardless of when installed. If any improvements and betterments are

covered, any increased cost may be assessed by the Association against the Units affected. Owners :must consult a qualified insurance agent and obtain their own property insurance coverage for real property and personal property within their unit which are not covered by the association's insurance policy.

b. General Liability Insurance. Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Property in an amount of at least $2 Million or so higher amount deemed necessary in the reasonable judgment of the Board, insuring the Board, the Association, the Manager, and their respective employees, agents and all persons acting as agents. Declarant shall be included as an additional insured in its capacity as a Unit Owner or board member. The Unit Owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership. existence, use or management of the Common Elements. The insurance shall cover claims of one or more insured parties against other insured parties. Such policy or policies will include such additional endorsements, coverages and limits as may be required by regulation of the Federal Housing Administration ("FHA"), the U.S. Department of Veterans' Affairs **("VA"),** or the Federal National Mortgage Association **("FNMA")** as a precondition to their insuring, purchasing or financing a mortgage on a Unit. **The Association's liability policy does not cover Unit Owners' personal liability for accidents or damage occurring** in **the Units. UNIT OWNERS MUST CONSULT A QUALIFIED INSURANCE AGENT AND OBTAIN THEIR OWN LIABILITY INSURANCE COVERAGE COVERING LIABILITY FOR ACCIDENTS OR DAMAGE OCCURRING WITHIN THE UNITS.**

c. Fidelity Bond Insurance. Fidelity bond or coverage against dishonest acts on the part of directors, officers, managers, trustees, employees or persons responsible for handling funds belonging to or administered by the Association if deemed advisable by the Board. The fidelity bond or insurance shall name the Association as an insured. An appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers, or a waiver of defense based upon the exclusion of persons serving without compensation shall be added.

d. Workers Compensation Insurance. Workers' Compensation insurance as applicable and required by law.

e. D&O Insurance. Directors and officers liability insurance with such reasonable limits and coverages as the Board shall determine from time to time.

f. Other Insurance. Other insurance as the Board may determine to be in the best interests of the Association and the Owners.

g. Insurance policies carried pursuant to subsections (a) and (b) shall provide that:

(l) each Owner and secured party is an insured person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Association;

(2) the insurer waives its right to subrogation under the policy against any Owner or members of the Owner's household and against the Association and members of the Board of Directors;

(3) no act or omission by any Owner or secured party, unless acting within the scope of authority on behalf of the Association, shall void the policy or be a condition to recovery under the policy; and

(4) if at the time of a loss under the policy there is other insurance in the name of an Owner covering the same property covered by the policy, the Association's policy is primary insurance.

The Association will promptly notify all Owners if the insurance described above is not reasonably available.

9.2 Premiums, Improvements, Deductibles. Except as otherwise provided in this Declaration, all insurance premiums will be assessed and paid as a Common Expense and paid as part of the General Assessments. If improvements and betterments to the Units are covered, any increased cost may be assessed against the Units affected. The Association may, in the case of a claim for damage or personal injury with respect to Improvements (if any) which the Association maintains, (i) pay the deductible amount as a Common Expense, (ii) assess the deductible amount against the Units affected in a reasonable manner, or (iii) require the Owners of the Units affected to pay the deductible amount directly. The Association's decision as to who shall be charged with paying the deductible amount may, but need not, be based on fault.

9.3 Loss Payee; Insurance Trustee. All insurance coverage maintained by the Association shall be written in the Association's name, and the proceeds of any insurance coverage the Association maintains must be payable to the Association or an insurance trustee the Association designates for that purpose, for the benefit of the Owners and secured parties, including Eligible Mortgagees, which suffer loss. The Association, or

any person it selects, will have exclusive authority to negotiate, settle and collect upon claims or losses under any insurance policy the Association maintains. The proceeds shall be disbursed first for the repair or restoration of the damaged Common Elements and Units. The Association shall retain any surplus proceeds or distribute the surplus among the Owners on an equitable basis as the Board determines.

9.4 Waivers of Subrogation. All policies of insurance will contain waivers of subrogation by the insurer against the Association or its officers or directors, or an Owner or members of the Owner's household, as applicable. If available, the policies will also contain waivers of any defense based on co-insurance or of invalidity from any acts of the insured.

9.5 Cancellation: Notice of Loss. All policies of property insurance and comprehensive liability insurance the Association maintains will provide that the insurer that has issued an insurance policy under this section will issue certificates or memoranda of insurance, upon request, to any Owner or secured party. The insurance may not be canceled until 60 days after written notice of the proposed cancellation has been mailed to the Association and each Person to whom a certificate of insurance has been issued.

9.6 Restoration in Lieu of Cash Settlement. All policies of property insurance maintained by the Association shall provide that, despite any provisions giving the insurer the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable (i) without the prior written approval of the Association (or any insurance trustee) or (ii) when in conflict with provisions of any insurance trust agreement to which the Association may be a party, or any requirement of law.

9.7 Repair or Replacement: Exceptions. Any portion of the common interest community which is damaged or destroyed as the result of a loss covered by the Association's insurance shall be promptly repaired or replaced by the Association unless (i) the common interest community is terminated and the Association votes not to repair or replace all or pa11 thereof, (ii) repair or replacement would be illegal under any state or local health or safety statute or ordinance, or (iii) 80% of the Owners, including every Owner and holder of a first mortgage on a Unit or assigned Limited Common Element which will not be rebuilt, vote not to rebuild. Subject to Section 9.2, the cost of repair or replacement of the Common Elements in excess of insurance proceeds and reserves shall be paid as a Common Expense, and the cost of repair of a Unit in excess of insurance proceeds shall be paid by the respective Owner.

9.8 Partial Repair. If less than the entire common interest community is repaired or replaced,

(i) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the common interest community, (ii) the insurance proceeds attributable to Units and Limited Common Elements which are not rebuilt shall be distributed to the Owners of those Units. including Units to which the Limited Common Elements were assigned, and the secured parties of those Units, as their interests may appear, and (iii) the remainder of the proceeds shall be distributed to all the Owners and secured pa11ies as their interests may appear in proportion to their common expense liability.

9.9 No Contribution. All insurance policies the Association maintains will be the primary insurance where there is other insurance in the name of the Owner covering the same property, and may not be brought into contribution with any insurance purchased by Owners or their Eligible M011gagees.

9.10 Effect of Acts Not Within Association's Control. All insurance policies the Association maintains will provide that the coverage will not be voided by or conditioned upon (i) any act or omission of an Owner or Eligible Mortgagee, unless acting within the scope of authority on behalf of the Association, or (ii) any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

9.11 Owner's Personal Insurance. Each Owner must obtain property insurance (commonly known as "gap" or "H06" coverage) covering all risks of physical loss in an amount equal to 100% of the insurable "replacement value," of the portion of the Unit, Dwelling and Improvements thereon not covered by the Association's policies, exclusive of items normally excluded from coverage. The policies shall meet the same requirements of those required for the Association. Owners must also maintain additional personal coverage, at their own expense, covering personal property and personal liability. All Owners' insurance policies shall provide that they are without contribution as against the insurance purchased by the Association, except as to deductibles under Section 9.2. Owners are required to provide proof of insurance to the Association on an annual basis. Insurance carried by Owners must provide for 30 days' notice to the Association prior to cancellation or amendment, and must also provide that the Association is an additional insured as it relates to coverage of property damage to the Unit. The Association shall have a lien on all insurance proceeds to insure Owner's reconstruction of its Unit as required by this Declaration.

9.12 Notice to Declarant. Recognizing that the Declarant is obligated to disclose to prospective purchasers the Association's projected budget, it is important that Declarant be advised of any budget changes following the termination of the Declarant Control Period. Accordingly, the Association shall give Declarant at least 30 days prior written notice of any change in the Association's insurance policies until Declarant no longer owns any Unit or Fractional Interest for initial sale and no longer has the right to add Additional Real Estate to the Property.

SECTION 10
RECONSTRUCTION, CONDEMNATION AND EI\HNENT DOMAIN

10.1 Reconstruction. The obligations and procedures for the repair, reconstruction or disposition of the Property following damage or destruction thereof shall be governed by the Act. Any repair or reconstruction shall be substantially in accordance with the plans and specifications of the Property as initially constructed and subsequently improved. The Association shall have all authority necessary to cause the Property to be reconstructed, including without limitation the authority (i) to require the Owners to enter into reconstruction contracts on their respective Units, or (ii) to contract for the reconstruction of the Units on behalf of the Owners. Notice of substantial damage or destruction shall be given pursuant to Section 16.8.

10.2 Condemnation and Eminent Domain. In the event of a taking of any part of

the Property by condemnation or eminent domain, the provisions of the Act shall govern; provided, that notice shall be given pursuant to Section 16.8. Mortgagees shall be entitled to priority for condemnation awards in accordance with the priorities established by the Act and the Governing Documents, as their interests may appear.

10.3 Notice. All Eligible Mortgagees shall be entitled to receive notice of any condemnation proceedings or substantial destruction of the Property, and the Association shall give written notice thereof to an Eligible Mortgagee pursuant to Section 16.8.

10.4 Association's Authority. In all cases involving reconstruction. condemnation, eminent domain, termination or liquidation of the common interest community, the Association shall have authority to act on behalf of the Owners in all proceedings, negotiations and settlement of claims. All proceeds shall be payable to the Association to hold and distribute for the benefit of the Owners and their mortgage holders, as their interests may appear, in accordance with the Act.

SECTION 11
COMPLIANCE AND
REMEDIES

Each Owner and Occupant, and any other Person owning or acquiring any interest in the Property, shall be governed by and comply with the provisions of the Act, the Governing Documents, the Rules, the decisions of the Association, and such amendments thereto as may be made from time to time. A failure to comply shall entitle the Association to the relief set forth in this Section, in addition to the rights and remedies authorized elsewhere by the Governing Documents and the Act.

11.1 Entitlement to Relief. The Association may commence legal action to recover sums due, for damages, for injunctive relief or to foreclose a lien owned by it, or any combination thereof, or an action for any other relief sought by the Association against any Owner, or by an Owner against the Association or another Owner, to enforce compliance with the Governing Documents, the Rules, the Act, or the decisions of the Association. However, no Owner may withhold any assessments payable to the Association, or take (or omit) other action in violation of the Governing Documents, the Rules or the Act, as a measure to enforce such Owner's position, or for any other reason.

11.2 Sanctions and Remedies. In addition to any other remedies, the Association has the right, but not the obligation, to implement any one or more of the following actions against Owners and Occupants and/or their guests, who violate the provisions of the Governing Documents, the Rules or the Act:

a. Commence legal action for damages or equitable relief in any court of competent jurisdiction.

b. Impose late charges of up to the greater of $50, or 15% of the amount due, for each late payment of an assessment or installment, and interest at the highest rate permitted by law on all such unpaid amounts from the due date.

c. In the event of default of more than 30 days in the payment of any

Assessment or installment thereof, all remaining installments of Assessments assessed against the Unit owned by the defaulting Owner may be accelerated and shall then be payable in full if all delinquent Assessments, together with all costs of collection and late charges, are not paid in full prior to the effective date of the acceleration. Reasonable advance written notice of the effective date of the acceleration shall be given to the defaulting Owner.

d. Impose reasonable fines, penalties or charges for each violation of the Act, the Governing Documents, or the Rules and Regulations of the Association.

e. Restore any portions of the Common Elements or Units damaged or altered, or allowed to be damaged or altered, by any Owner or Occupant or their guests, tenants, employees or invitees in violation of the Governing Documents, and assess the cost of restoration against the responsible Owners and their Units.

f. Enter any Unit in which, or as to which, a violation or breach of the Governing Documents exists which materially affects, or is likely to materially affect in the near future, the health and safety of the other Owners or Occupants, or their guests, or the safety or soundness of any Dwelling or other part of the Property or the property of the Owners or Occupants, and to summarily abate and remove, at the expense of the offending Owner or Occupant, any structure. thing or condition in the Unit which is causing the violation; provided that any structural improvements which are a part of a Unit may be altered or demolished only pursuant to a court order or with the agreement of the Owner.

g. Foreclose any lien arising under the Governing Documents or under law, in the manner provided for mortgage foreclosures by action or advertisement under a power of sale.

h. Suspend the rights of any Member to vote when the Member is in violation of the Governing Documents, the Rules or the Act.

i. Suspend the rights of any Owner or Occupant and their guests to use any Common Element amenities, provided that this limitation shall not apply to deck, balcony, porch or patio easements appurtenant to the Unit, or to those portions of the Common Elements providing utility service and access to the Unit. Such suspensions shall be limited to periods of default by such Owners and Occupants in their obligations under the Governing Documents or Rules, and for up to 30 days thereafter, for each violation.

11.3 Hearing Rights. In the case of imposition of any of the remedies authorized by Section 11.2.d., e., f., or i. of this Section, the Board shall, upon written request of the offender, grant to the offender a fair and equitable hearing as contemplated by the Act. The offender shall be given notice of the nature of the violation and the right to a hearing, and at least 10 days within which to request a hearing. The hearing shall be scheduled by the Board and held within 30 days of receipt of the hearing request by the

Board, and with at least 5 days prior written notice to the offender. If the offending Owner fails to appear at the hearing, then the right to a hearing shall be waived and the Board may take such action as it deems appropriate. The decision of the Board and the rules for the conduct of hearings established by the Board shall be final and binding on all parties. The Board's decision shall be delivered in writing to the offender within ten days following the hearing, if not delivered to the offender at the hearing.

11.4 Costs of Proceeding and Attorneys' Fees. With respect to any collection measures, or any measures or action, legal, administrative, or otherwise, which the Association takes to enforce the provisions of the Act, Governing Documents, or Rules, whether or not finally determined by a court or arbitrator, the Association may assess the violator and his or her Unit with any expenses incurred in connection with such enforcement, including without limitation fines or charges previously imposed by the Association, reasonable attorney's fees, and interest (at the highest rate allowed by law) on the delinquent amounts owed to the Association.

11.5 Lien for Charges, Penalties, Etc. Any assessments, charges, fines, penalties or interest imposed under this Section shall be a lien against the Unit of the Owner or Occupant against whom the same are imposed and the personal obligation of such Owner in the same manner and with the same priority and effect as assessments under Section 6. The lien shall attach as of the date of imposition of the remedy, but shall not be final as to violations for which a hearing is held until the Board gives written notice following the hearing. All remedies shall be cumulative, and the exercise of, or failure to exercise, any remedy shall not be deemed a waiver of the right to pursue any others.

11.6 Liability for Owners' and Occupants' Acts. An Owner shall be liable for the expense of any maintenance, repair or replacement of the Property rendered necessary by such Owner's acts or omissions, or by that of Occupants, guests, tenants, employees or invitees in the Owner's Unit, to the extent that such expense is not covered by the proceeds of insurance carried by the Association or such Owner or Occupant. Any insurance deductible amount and/or increase in insurance rates resulting from the Owner's acts or omissions may be assessed against the Owner responsible for the condition and against his or her Unit.

11.7 Enforcement by Owners or Declarant. This Section does not limit or impair the independent rights of other Owners or the Declarant to enforce the Act, the Governing Documents, or the Rules as provided therein. Declarant is entitled to take whatever legal or administrative action necessary to cause compliance with the terms and conditions of this Declaration. Declarant is not obligated or responsible for the enforcement of the obligations and restrictions contained in this Declaration.

SECTION 12
SPECIAL DECLARANT RIGHTS

Declarant hereby reserves exclusive and unconditional authority to exercise the following Special Declarant Rights within the meaning of Section 515B.1-103(33b) of the Act or in any future amendment to the Act, and other rights reserved to Declarant elsewhere in this Declaration, for as long as Declarant owns a Unit or has the right to add Additional Real Estate to the Property, or for such other period as may be specifically indicated herein or in the Act:

12.1 Complete Improvements. To complete all the Dwellings and other improvements indicated on the Plat, or otherwise included in Declarant's development plans or authorized or allowed by the County, this Declaration, and to make alterations and improvements in the Units owned by Declarant and the Common Elements to accommodate its sales facilities and the exercise of any Special Declarant Rights reserved herein, and to have and use easements for itself and its employees, agents, and contractors through the Common Elements and Units for such purposes.

12.2 Add Additional Real Estate. To add Additional Real Estate to the Property as described in Section 13.

12.3 Relocate Boundaries, Alter Units and Subdivide, Combine and Convert Units. To (i) relocate boundaries between Units and to otherwise alter Units owned by it pursuant to Section 515B.2-114 of the Act, and (ii) create additional Units, Common Elements and Limited Common Elements, or any combination thereof, by the subdivision, conversion or combining of any Unit owned by it, pursuant to Section 515B.2-l 12 of the Act. Any Unit owned by Declarant may be subdivided and/or converted hereunder and the maximum number of Units that may be created by the subdivision or conversion of Units owned by Declarant is ____.

12.4 Leasing, Sales and Rental Facilities. To engage in the sale and leasing of Units, and to construct. operate and maintain a sales office, management office, model Dwellings, and other development, sales and rental facilities within the Common Elements, and within any Units owned or leased by Declarant from time to time, located anywhere on the Property or the Additional Real Estate.

12.5 Signs. To erect and maintain signs and other sales displays offering the Units for sale or lease and/or for other business or construction related purposes, in or on any Unit owned by Declarant and on the Common Elements or on the Additional Real Estate.

12.6 Easements. To have and use easements, for itself, its employees, contractors, representatives, agents, prospective purchasers or other invitees through and over the Common Elements and the Units for the purpose of exercising its Special Declarant Rights reserved herein.

12.7 Association Control. To control the operation and administration of the Association, including without limitation the power to appoint and remove the members of the Board pursuant to Section 515B.3-103 of the Act, until the earliest of: (i) voluntary surrender of control by the Declarant; (ii) the conveyance to Owners other than the Declarant of75% of the total number of Units authorized to be included in the Property; or (iii) the date 5 years following the date of the first conveyance of a Unit to an Owner other than the Declarant. Notwithstanding the foregoing, the Owners other than Declarant shall have the right to nominate and elect not less than 33 1/3% of the directors at a meeting of the Owners which shall be held within 60 days following the conveyance by Declarant of 50% of the total number of Units authorized to be included in the Property. In determining the Declarant Control Period, the percentage of Units conveyed shall be calculated using as a numerator the number of Units conveyed and as a denominator the number of Units subject to the Declaration plus the number of Units which the Declarant is authorized by the Declaration to create on any Additional Real

Estate. The turnover by the Declarant of control of the Board shall not affect the Declarant's right to exercise any other Special Declarant Rights granted to it by this Declaration or by Jaw.

12.8 Alternate Common Expense. To utilize an alternate common expense plan as provided in Section 515B.3-l 15(a)(2) of the Act.

12.9 Common Element License. To grant common element licenses as provided in Section 5l SB.2-109(e) of the Act.

12.10 Architectural Control. To review, and approve or disapprove, the exterior design, materials, size, site location, and other exterior features of the building and other structures, landscaping and other exterior Improvements, located within the common interest community, and any modifications or alterations thereto.

12.11 Consent to Certain Amendments. Declarant's written consent shall be required for any amendment to the Governing Documents or Rules which directly or indirectly affects or may affect Declarant's rights under the Governing Documents or the Act.

12.12 Other Rights. To have and exercise such other rights as are afforded Declarant under the terms of this Declaration or identified, now or in the future, as Special Declarant Rights in Section 515B.l-103 of the Act.

12.13 Assignment of Declarant Rights. To transfer and assign, in whole or in part, the special declarant rights described in this Section 12 to other developers or to builders, as provided by the Act.

12.14 Non-interference with Declarant's Rights. No Unit Owner or Occupant may interfere with Declarant's rights under this Section or Declaration by amending this Declaration, the Governing Documents or otherwise. In pa1ticular, so long as Declarant owns a Unit, the Association shall take no action which adversely affects Declarant's ability to sell the Units without Declarant's prior, written consent. Subject to any other limitations provided in the Declaration or the Act, all Special Declarant Rights terminate lO years after the date of the first conveyance of a Unit to a person other than a Declarant unless extended the vote or written agreement of Unit Owners entitled to cast at least 67% of the votes allocated to Units not owned by the Declarant.

SECTION 13
RIGHTS TO ADD ADDITIONAL REAL ESTATE

Declarant hereby expressly reserves the exclusive right to add the Additional Real Estate to the Property, by unilaterally executing (together with any other owner of such parcel) and recording a Supplemental Declaration pursuant to Section 51SB.2-111 of the Act, subject to the following conditions.

13.1 Time Limitations. The right of Declarant to add the Additional Real Estate to the common interest community shall expire 10 years after the date of recording of this Declaration or upon earlier express written withdrawal of such right by Declarant or a successor Declarant, unless extended by a vote of the Owners pursuant to Section

515B.2-106(2) of the Act. There are no other limitations on Declarant's rights hereunder, except as may be imposed by law.

13.2 Sequence to Add. The Additional Real Estate is described in the attached **Exhibit B.** The Additional Real Estate may be added to the Property in parcels consisting of one or more platted or unplatted lots, or portions thereof, and in any sequence.

13.3 No Assurances of Addition. Declarant has no obligation to add the Additional Real Estate to the Property. There are no assurances that any part of the Additional Real Estate will be added to the Property, the order in which it will be added, the time it will be added, the number of parcels per phase nor the size of the parcels. The Additional Real Estate may be developed by Declarant or its successors in interest for other purposes, subject only to approval by the appropriate governmental authorities.

13.4 Maximum Number of Units. The maximum number of Units which may be created within the Additional Real Estate will be based upon the allowable density requirements determined in accordance with the County Regulations. Based on Declarant's good faith estimate, the maximum number of Units that may be created within the Additional Real Estate described as such on the date of this Declaration is __. The Units created on the Additional Real Estate need not be restricted exclusively to residential use and the Supplemental Declaration establishing any such nonresidential Units shall reflect the same accordingly.

13.5 Architectural Style and Compatibility. Any Units, Dwellings and other structures created upon the Additional Real Estate shall be compatible with the other Units, Dwellings and other structures which are part of the Property in terms of architectural style, quality of construction, principal materials employed in construction, and size; subject (i) to any changes required by governmental authorities or lenders, and (ii) to any interior, exterior or other changes made by Declarant to meet changes in the market.

13.6 Applicability of Covenants. All covenants and restrictions contained in this Declaration affecting the use, occupancy and alienation of Units shall apply to all Units created on the Additional Real Estate.

The statements made in this Section 13 shall not apply to any Additional Real Estate which is not added to the Property.

SECTION 14
AMENDMENTS

14.1 Amendment. This Declaration may be amended by the consent of (i) Unit Owners that are collectively allocated at least 67% of the votes in the Association, (ii) the Eligible Mortgagees (based upon one vote per first mortgage owned) for amendments requiring their vote as outlined in Section 16, (iii) the consent of Declarant to certain amendments as provided in Section 12.11.The Owners' consent may be obtained in writing or at a duly held Association meeting. Consents of Eligible Mortgagees and Declarant must be in writing. Amendments will be effective when recorded. An affidavit by the Association's Secretary or President attesting to the vote results, or execution of

the foregoing agreements or consents, will be adequate evidence thereof for all purposes, including without limitation, the amendment's recording.

14.2 Limitations. Except to the extent expressly permitted or required by the Act, no amendment may create or increase the Special Declarant Rights, increase the number of Units, convert the Common Elements to Limited Common Elements, or change the boundaries of a Unit, change a Unit's allocated interests, change the authorized use of a Unit from residential to commercial without the unanimous written consent of the Unit Owners.

14.3 Declarant's Amendment. Notwithstanding anything in this Declaration to the contrary, as long as Declarant owns a Unit, Declarant reserves the right to amend this Declaration and any Plat as needed for purposes of any boundary line adjustments or encroachments, pursuant to applicable zoning ordinance and Minnesota law, without obtaining approval from the Owners or any Eligible Mortgagees.

SECTION 15
RIGHTS OF ELIGIBLE MORTGAGEES

Notwithstanding anything to the contrary in the Governing Documents, and subject to any greater requirements of the Act or other laws, Eligible Mortgagees shall have the following rights and protections:

15.1 Consent to Certain Amendments. Written consent of Eligible Mortgagees representing at least 51% of the Units subject to first mortgages held by Eligible Mortgagees (based upon one vote per first mortgage owned) is required for any amendment to the Governing Documents which causes any change in the following: (i) voting rights; (ii) priority of assessment liens; (iii) responsibility for maintenance and repairs; (iv) reallocation of interests in the Common Elements or rights to their use; (v} redefinition of any Unit boundaries; (vi) convertibility of Units into Common Elements or vice versa; (vii) insurance or fidelity bonds; (viii) imposition of any restrictions on an Owner's right to sell or transfer a Unit; (ix) a decision by the Association to establish self-management when professional management is in effect as required previously by the Governing Documents or an Eligible Mortgagee; (x) restoration or repair of the Common Elements (after a hazard damage or partial condemnation) in a manner other than specified in the Governing Documents; **(xi)** any action to terminate the Association's legal status after substantial destruction or condemnation occurs; or **(xii)** any provisions that expressly benefit Eligible Mortgagees, insurers or mortgage guarantors. Notwithstanding the foregoing. implied approval of a proposed amendment shall be assumed when an Eligible Mortgagee fails to submit a response to any written proposal for an amendment within 30 days after it receives proper notice of the proposal.

15.2 Consent to Certain Actions. Written consent of Eligible Mortgagees representing at least 80% of the Units subject to first mortgages held by Eligible Mortgagees (based upon one vote per first mortgage owned) will be required to terminate this common interest community.

15.3 Consent to Subdivision. Except for Units owned by the Declarant, no Unit may be partitioned or subdivided without the prior written approval of the Owners and Eligible Mortgagee thereof, and the Association.

15.4 Lien Priority. Any holder of a first mortgage on a Unit or any purchaser of a first mortgage at a foreclosure sale, that acquires ownership of a Unit by foreclosure or by deed or assignment in lieu of foreclosure, takes the Unit free of any claims for unpaid assessments or any other charges or liens imposed against the Unit by the Association which have accrued before the acquisition of the Unit by the first mortgage holder or purchaser, except as otherwise provided in this Declaration or the Act, and except that any unreimbursed assessments or charges may be reallocated among all Units according to their interests in the Common Elements.

15.5 Priority of Taxes and Other Charges. All taxes, assessments and charges which may become liens prior to the first mortgage under state law shall relate only to the individual Units and not to the Property as a whole.

15.6 Priority for Condemnation Awards. No provision of the Governing Documents gives any Owner, or any other party, priority over any rights of the applicable Eligible Mortgagee to such Owner's share of insurance proceeds or condemnation awards for the loss or taking of the Unit and/or the Common Elements. The Association will notify all Eligible Mortgagees of any condemnation or eminent domain proceeding affecting the Common Elements promptly after receiving notice from the condemning authority.

15.7 Access to Books and Records/Audit. Eligible Mortgagees have the right to examine the Association's books and records upon reasonable notice during normal business hours, and to receive, upon written request, copies of the Association's annual reports and other financial statements.

15.8 Notice Requirements. Upon written request to the Association identifying the name and address of the holder, insurer or guarantor of a mortgage on a Unit and the Unit number or address, the holder, insurer or guarantor will be entitled to timely written notice of:

a. a condemnation loss or casualty loss which affects a material portion of the Unit securing the mortgage of which the Association has been provided written notice;

b. a 30-day delinquency in payment of assessments or charges owed by the Owner of the mortgaged Unit;

c. a lapse, cancellation or material modification of any insurance policy by the Association; and

d. a proposed action requiring the consent of a specified percentage of Eligible Mortgagees.

SECTION 16
MISCELLANEOUS

16.1 Severability. If any term, covenant, or provision of this instrument or attached exhibit is held to be invalid or unenforceable for any reason whatsoever, such determination will not alter, affect or impair in any manner whatsoever any other

portion of this instrument or exhibits.

16.2 Construction. Where applicable the masculine gender of any word used herein will mean the feminine or neutral gender, or vice versa, and the singular of any word used in this Agreement will mean the plural, or vice versa.

16.3 Tender of Claims. If any incident occurs which could reasonably give rise to a demand by the Association against Declarant for indemnification, the Association will promptly tender defense of the action to its insurance carrier, and give Declarant written notice of such tender, the specific nature of the action and an opportunity to defend against the action.

16.4 Notices. Unless provided otherwise in the Governing Documents, all notices required to be given by or to the Association, the Board of Directors, the Association officers, the Eligible Mortgagees or the Owners or Occupants will be in writing and will be effective upon hand delivery, or upon mailing if properly addressed with postage prepaid and deposited in the United States mail, except that registrations pursuant to the Bylaws shall be effective upon receipt by the Association.

16.5 Conflicts Among Documents. In the event of any conflict among the provisions of the Declaration, the Bylaws or the Rules, the Declaration shall control. As between the Bylaws and the Rules, the Bylaws shall control.

16.6 Duration of Covenants. The covenants, conditions, restrictions, easements, liens and charges contained in this Declaration shall be perpetual, subject only to termination as provided in the Declaration or the Act.

16.7 Declarant Not Liable. Declarant will not be liable for any damage, loss, or prejudice suffered or claimed by any person on account of:

a. The approval or disapproval of any plans, drawings, and specifications, whether or not in any way defective;

b. The construction of any Improvement or performance of any work, whether or not pursuant to approved plans, drawings, and specifications;

c. The development of any Unit within the Property; or

d. Waiver, variance, modification or termination of this Declaration.

16.8 Notice of Ownership. Every Owner shall give written notice to Declarant and the Association of the Owner(s) name and address for notice purposes (identifying the Unit Owner has acquired) within 30 days after becoming a Unit Owner.

16.9 Declaration Runs with the Land. The Property, and each Unit, will be held, sold, conveyed, occupied, developed and maintained in accordance with this Declaration. This Declaration will run with the land and will be binding upon any party having any right, title or interest in or to any part or parcel of the Property, their heirs, assigns, lessees, licensees, invitees, successors in interest and personal representatives until this

Declaration is terminated in accordance with its provisions.

16.10 Not a Public Dedication. Except as specifically provided in this Declaration, nothing contained in this Declaration will be deemed to be a gift or dedication of any portion of the Property to the County, Township, any governmental entity or the general public for any public use or purpose whatsoever.

IN WITNESS WHEREOF, the undersigned has executed this instrument the day and year first set forth in accordance with the requirements of the Act.

Blackburn IM Ruttgers SVP, LLC

By: _____
Its: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2026, by _____, the _____ of Blackburn IM Ruttgers SVP, LLC, a Minnesota limited liability company, on behalf of the limited liability company.

_____
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

Jennifer L. Carey
Hanft Fride, A Professional Association
1000 U.S. Bank Place
130 West Superior Street
Duluth, MN 55802
(218) 722-4766

EXHIBIT A
PROPERTY

Lots 1 through 14, Block 1, RUTTGERS LAKESIDE COTTAGES 2ND ADDITION, Crow Wing County, Minnesota.

EXHIBIT B
ADDITIONAL REAL ESTATE

Lots 7 through 11, Block 1, RUTTGERS LAKESIDE COTTAGES, Crow Wing County, Minnesota.

EXHIBIT C
COMMON ELEMENTS

There are no Common Elements as of the date of this Declaration.

[30908-0001)

COMMON INTEREST COMMUNITY NO. XXXX

A PLANNED COMMUNITY

EASTSIDE CABINS

CONSENT AND JOINDER BY MORTGAGEE

The undersigned ("Mortgagee") is a mortgagee of portions of real property described in the foregoing Declaration of Eastside Cabins ("Declaration"), to which this consent is attached. The Mortgagee hereby consents to and joins in the Declaration; provided that by consenting to and joining in the Declaration. (i) the Mortgagee does not in any manner constitute itself or obligate itself as a declarant as defined in the Declaration; and (ii) such Mortgagee's mortgages shall remain as liens on the property described therein, prior to any Assessment liens or other liens imposed under the Declaration, until released or satisfied.

Mortgagee has caused this Consent and Joinder to be executed on _____, 2026.

First Western Bank & Trust

By: _____
Its: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2026, by _____, the _____ of First Western Bank & Trust, on behalf of the bank.

_____
Notary Public

4916-1652-6230

BYLAWS
OF
EASTSIDE CABINS OWNERS' ASSOCIATION

SECTION 1
GENERAL

1.1 General. This document constitutes the Bylaws ("Bylaws") of Eastside Cabins Owners' Association, a Minnesota nonprofit corporation ("Association"), incorporated under and pursuant to Minnesota Statutes Chapter 317A ("Nonprofit Corporation Act") for the purpose of operating and managing a planned community known as "Eastside Cabins," a planned community subject to the provisions of Minnesota Statutes Chapter 515B, known as the Minnesota Common Interest Ownership Act ("Act")

1.2 Principal Office. The principal office of the Association shall be in Crow Wing County, Minnesota, at such specific location therein as may be designated by the Board of Directors from time to time.

1.3 Terms and Definitions. Any terms used in these Bylaws, and defined in the Declaration of Eastside Cabins ("Declaration") and not in these Bylaws, shall have the meaning set forth in the Declaration and the Act.

SECTION 2
MEMBERSHIP

2.1 Members Defined. All Persons described as Owners in the Declaration shall be Members of the Association by virtue of Unit or Fractional Interest ownership. No Person shall be a Member solely by virtue of holding a security interest in a Unit or Fractional Interest . A Person shall cease to be a Member when that Person is no longer an Owner. When more than one Person is an Owner of a Unit or Fractional Interest, all such Persons shall be Members of the Association, but multiple ownership of a Unit or Fractional Interest shall not increase the voting rights allocated to the Unit nor authorize the division of the voting rights.

2.2 Registration of Owners. Each Owner shall register in writing with the Association's Secretary within 30 days after taking title to a Unit or Fractional Interest and provide the following information: (i) the name and address of each Owner of the Unit or Fractional Interest; (ii) the phone number of each Owner (iii) the address at which the Owner desires to receive notice of any meeting of the Owners, if different than the Unit address (iv) the email address at which the Owner consents to receive notice; (v) the nature of the Owner's interest or estate in each Unit or Fractional Interest owned; (vi) the name and address of the secured party holding the first mortgage on the Unit or Fractional Interest, if any, and (vi) if there are multiple Owners of a Unit, the name of the Owner who is authorized to cast the vote allocated with respect to the Unit on behalf of all the Owners of that Unit. Each Owner has a continuing obligation to update the Association in writing of any changes in such information. If an Owner does not register as provided in this Section, the Association shall not recognize such Person's right to vote, but such failure to register shall not relieve an Owner of any obligation, covenant, or restriction under the Governing Documents.

2.3 Transfers. An Owner may assign, pledge, encumber or transfer the Owner's interests, rights and obligations in the Association, but only in connection with a conveyance of the Owner's Unit or Fractional Interest or as otherwise specifically authorized by the Governing Documents or by law. Membership in the Association shall automatically pass when the ownership of a Unit or Fractional Interest is transferred in any manner.

SECTION 3
OWNER VOTING

3.1 Entitlement. Votes shall be allocated to each Unit as provided in the Declaration. No vote shall be exercised by a Unit owned by the Association or by an Owner of a Unit or Fractional Interest for which the assessments are more than 60 days past due.

3.2 Authority to Cast Vote. At any meeting of the Owners, an Owner included on the voting register (or the Owner's proxy holder) may cast the vote allocated to the Owner's Unit. If there is more than one Owner of a Unit, only one of the Owners may cast the vote for the Unit. If the Owners of a Unit fail to agree as to who shall cast the vote or fail to properly register to vote, no vote shall be cast for that Unit.

3.3 Voting by Proxy. An Owner may cast the vote which is allocated to the Owner's Unit and be counted as present at any meeting of the Owners by executing a written proxy naming another Person entitled to act on that Owner's behalf, and delivering the same to the Secretary before the commencement of any such meeting. All proxies granted by an Owner shall remain in effect until the earliest of the following events: (i) the Owner's revocation by written notice or by personally attending and voting at a meeting for which the proxy is effective, (ii) 11 months after the date of the proxy, unless otherwise provided in the proxy, or (iii) the time at which the granting Owner is no longer an Owner, or (iv) any other applicable event specified in Section 317A.453 of the Nonprofit Corporation Act.

3.4 Voting by Ballot. A vote on any issue, except for the removal of directors, may be determined by ballots delivered by mail or email, subject to any prohibition or requirement in the Governing Documents or an applicable statute, and the following requirements:

a. Notice. Notice of the vote shall: (i) clearly state the proposed action, (ii) indicate the number of responses needed to meet the quorum requirements, (iii) state the percentage of approvals necessary to approve each matter other than election of directors, and (iv) specify the time by which a ballot must be received by the Association in order to be counted.

b. Ballot. The ballot shall: (i) clearly set forth each proposed action, and (ii) provide an opportunity to vote for or against each proposed action.

c. Time Period. The Board shall set the submission deadline for ballots, which shall not be less than 15, nor more than 45 days after the date of mailing or emailing delivery of the ballots to the Owners. The Board shall provide written notice of the results of the vote to the Owners within 30 days after the expiration of the voting period.

d. Required Votes. Approval by written ballot vote is valid only if the number of votes cast by ballot (i) equals or exceeds the quorum requirements for a meeting authorizing the action, and (ii) the number of approval votes equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Voting by ballot shall not be used in combination with a vote taken at a meeting of the Owners.

3.5 Vote Required. A majority of the votes cast at any properly constituted meeting of the Owners, or cast by mail in accordance with Section 3.4, shall decide all matters properly brought before the Owners, except where a different vote is specifically required by the Governing Documents or the Act. The term "majority" as used herein shall mean in excess of 50% of the votes properly cast at a meeting, in person or by proxy, or voting by mail or email. Cumulative voting shall not be permitted.

SECTION 4
OWNER MEETINGS

4.1 Place. All meetings of Owners shall be held at the Association's office or any other place in Crow Wing County, Minnesota reasonably accessible to the Owners as designated by the Board in any notice of a meeting of the Owners.

4.2 Annual Meetings. An annual meeting of the Owners shall be held in each fiscal year on a date, and at a reasonable time and place, designated by the Board of Directors. At each annual meeting of the Owners, (i) the Owners shall elect the members of the Board, (ii) a report shall be made to the Owners with a report on the activities and financial condition of the Association, and (iii) any other matter which is included in the annual meeting notice and is a proper subject for decision or discussion by the Owners, shall be considered and acted upon at the meeting. The Board may determine that an annual meeting of the Members shall be held solely by means of remote communication in accordance with section 317A.450, Subdivision 2 of the Nonprofit Corporation Act.

4.3 Special Meetings. The President may call special meetings of the Owners in his or her own discretion. The President or Secretary shall call a special meeting of the Owners upon receipt of a signed and dated written petition of (a) a majority of the Board members, or (b) an Owner or by Owners having at least 25% of the votes in the Association. A special meeting requested by the Board or the Owners shall be held within 30 days after receipt of the request. A request for a special meeting shall state the purpose(s) of the meeting, and the business transacted at the special meeting shall be limited to purpose(s) stated in the meeting notice. The purpose(s) for which the meeting is requested and held shall be lawful and consistent with the Association's purposes and authority under the Governing Documents.

4.4 Meeting Notices. At least 21, but no more than 30, days in advance of any annual meeting of the Members, and at least 7, but no more than 30, days in advance of any special meeting of the Members, the Secretary shall send to all persons who are Members as of the date of sending the notice, notice of the date, time, place and agenda of the meeting, by United States mail, hand-delivery or email (provided that if notice is sent by email, it must also be sent by United States mail), at the Member's registered address as shown in the Association's records. The notice shall also be sent to any Eligible Mortgagee, upon request, who shall be entitled to designate a representative to be present at any meeting. Notice of meeting to vote upon amendments to the Articles of Incorporation shall also be given separately to each officer and director of the Association. An Owner may waive notice of a meeting, and such waiver shall be effective whether given before, at, or after the meeting, and whether given in writing, orally, or by attendance at the meeting.

4.5 Quorum/Adjournment. The presence of Owners, in person or by proxy, who have authority to cast over 25% of all votes in the Association shall be necessary for a quorum at all meetings of Owners for the transaction of any business, except that of adjourning the meeting to reconvene at a subsequent time. Any meeting may be adjourned, but until no longer than 15 days later, without notice other than announcement at the initially called meeting. If a quorum is present at the reconvened meeting, any business may be transacted that might have been transacted at the original meeting. A quorum, once established at a meeting or a reconvened meeting, shall continue to exist for that meeting despite the departure of any Owner or proxy holder.

4.6 Remote Meeting Communications. One or more of the Owners may participate in a meeting of the Owners by means of remote communication through which that Owner, other Owners participating remotely, and all Owners present at the meeting, may hear and communicate with each other. Alternatively, any meeting among the Owners may be conducted solely by one or more means of remote communication through which all Owners may similarly participate in the meeting. The term "remote communication" in these Bylaws means communication via electronic communication, conference telephone, video conference, the Internet, or such means by which persons not physically present in the same location may communicate with each other on a substantially simultaneous basis. Participation in a meeting in this manner constitutes presence at the meeting.

4.7 Voting Register. The Association's Secretary shall maintain a written list of the Units and Fractional Interests, the name or names of the Owners entitled to notice of such meeting, and the respective name of the Person (in the case of multiple Owners) authorized to vote. Such list shall be available for inspection by an Owner with voting rights for the purpose of communication with other Owners concerning the meeting, beginning 3 days after the meeting notice is given and continuing through the meeting, at the Association's office. The list must also be available at the meeting.

4.8 Agenda. The Board shall establish an agenda for all the meetings of the Owners consistent with the Governing Documents and send the agenda to all Owners with the meeting notice.

4.9 Rules of Procedure. The Board may adopt or establish rules of procedure for conducting meetings of the Owners and transacting business provided such rules are not inconsistent with the Articles, these Bylaws or Minnesota law.

SECTION 5
ANNUAL REPORT

5.1 Annual Report. The Board shall prepare an annual report and shall provide a copy of the report to each Owner at or prior to the annual meeting of Owners. At a minimum, the annual report shall contain:

a. A statement of any capital expenditures in excess of (i) 2% of the current budget, or (ii) $5,000, whichever is greater, approved by the Association for the current fiscal year or succeeding two fiscal years.

b. A statement of the Association's total replacement reserves, the components of the common interest community for which the reserves are set aside, and the amounts of the reserves, if any, the Board has allocated for the replacement of each of those components.

c. A copy of the statement of revenues and expenses for the Association's last fiscal year, and a balance sheet as of the end of the fiscal year.

d. A statement of the status of any pending litigation or judgments to which the Association is a party.

e. A detailed description of the insurance coverage provided by the Association including a statement as to which, if any, of the following items in within the Units are insured by the Association: (i) ceiling or wall finishing materials, (ii) finished flooring, (iii) cabinetry, (iv) finished millwork, (v) electrical, heating, ventilating, and air conditioning equipment, and plumbing fixtures serving a single Unit, (vi) built-in appliances, or (vii) other improvements and betterments, regardless of when installed.

f. A statement of the total past due assessments on all Units and Fractional Interests, current as of not more than 60 days prior to the date of the meeting.

SECTION 6
BOARD OF DIRECTORS

6.1 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors ("Board"). The first Board shall consist of the persons designated as directors in the Articles of Incorporation of the Association or appointed to replace them by the Declarant, subject to the rights of Owners to elect directors as set forth in Section 6.2. Upon the expiration of the terms of the members of the first Board, the Board shall consist of three (3) directors, a majority of whom shall be Owners, or a duly authorized representative of the Owner if the Owner is a Person other than a natural person.

6.2 Term of Office. he terms for Board members shall be as follows:

a. Subject to subsection b., the terms of all directors appointed by the Declarant as authorized by the Declaration shall terminate upon the earliest of (i) voluntary surrender of control by Declarant, (ii) an Association meeting which shall be held within 60 days after conveyance to Owners other than a declarant of 75% of the total number of Units authorized to be included in the common interest community or (iii) the date five (5) years following the date of the first conveyance of a Unit to an Owner other than a declarant. The term of office of any director elected to the first Board of Directors pursuant to Subsection b shall expire at the same time as those appointed by Declarant.

b. Notwithstanding the provisions of Subsection a., the Owners other than Declarant shall have the right to nominate and elect not less than 33 1/3 of the directors at a meeting of the Owners held within 60 days following the conveyance by the Declarant of 50% of the total number of Units authorized to be included in the common interest community.

c. The first terms of office of the directors elected by the Owners immediately following the expiration of the terms provided for in Subsection a. shall be two years for two of the directors and three years for one of the directors. The nominee or nominees receiving the greatest number of votes shall fill the longer terms. Each term of office thereafter shall be two years and shall expire at the appropriate annual meeting of the owners; provided that a director shall continue in office until a successor is elected. A number of nominees equal to the number of vacancies, and receiving the greatest numbers of votes, shall be elected, notwithstanding that one or more of them does not receive a majority of the votes cast. A director appointed or elected to fill an uncompleted term shall serve until the natural termination of that term, unless removed in accordance with the Bylaws. There shall be no cumulative voting for directors.

6.3 Nominations. Nominations for election to the Board shall be made by the Board, or by an Owner at the annual meeting, or by “write-in”.

6.4 Powers. The Association’s powers include, without limitation, all powers necessary for the administration of the Association’s affairs, including all powers and authority vested in or delegated to the Association (and not expressly prohibited or reserved to the Owners) by law or by the Governing Documents. The Association’s powers are vested in the Board, unless expressly reserved to the Owners by the Governing Documents or by law. The Association's powers include, without limitation, the power to:

a. adopt, amend and revoke Rules that do not conflict and are not inconsistent with the Governing Documents: (i) regulating the use of the Common Elements; (ii) regulating the use of the Units and the conduct of Owners and Occupants, which may jeopardize the health, safety, or welfare of other Owners and Occupants, which involves noise or other disturbing activity, or which may damage the Common Elements or other Units; (iii) regulating or prohibiting animals; (iv)

regulating changes in the appearance of the Common Elements and conduct which may damage the Property; (v) regulating the exterior appearance of the Property, including, for example, balconies and patios, window treatments, and signs and other displays, regardless of whether inside a Unit; (vi) implementing the Governing Documents, and exercising the powers granted by this Section; and (vii) otherwise facilitating the operation of the Property;

b. adopt and amend budgets for revenues, expenditures and reserves, and levy and collect Assessments for Common Expenses from Owners;

c. hire and discharge managing agents and other employees, agents, and independent contractors;

d. institute, defend, or intervene in litigation or administrative proceedings (i) in its own name on behalf of itself or two or more Owners on matters affecting the Common Elements or other matters affecting the Property or, (ii) with the consent of the Owners of the affected Units or Fractional Interests on matters affecting only those Units or Fractional Interests;

e. make contracts and incur liabilities;

f. regulate the use, maintenance, repair, replacement, and modification of the Common Elements and the Units;

g. cause improvements to be made as a part of the Common Elements;

h. acquire, hold, encumber, and convey in its own name any right, title, or interest to real estate or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to Section 515B.3-112 of the Act;

i. grant or amend easements for public utilities, public rights-of-way or other public purposes, and cable television or other communications, through, over or under the Common Elements; grant or amend easements, leases, or licenses to Owners for purposes authorized by the Declaration; and, subject to approval by a vote of Owners, grant or amend other easements, leases, and licenses through, over or under the Common Elements;

j. impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Elements, other than Limited Common Elements, and for services provided to Owners;

k. impose interest and late charges for late payment of Assessments and, after notice and an opportunity to be heard before the Board or a committee appointed by it, levy reasonable fines for violations of the Governing Documents and Rules and Regulations, provided that attorney fees and costs must not be charged or collected from an Owner who disputes a fine or Assessment and, if after the Owner requests a hearing and a hearing is held

by the Board or a committee of the Board, the Board does not adopt a resolution levying the fine or upholding the assessment against the Owner or Owner's Unit or Fractional Interest;

l. impose reasonable charges for the review, preparation and recordation of amendments to the Declaration, Resale Certificates, statements of unpaid Assessments, or furnishing copies of Association records;

m. provide for the indemnification of its officers and directors, and maintain directors' and officers' liability insurance;

n. provide reasonable procedures governing the conduct of meetings and election of directors;

o. exercise any other powers conferred by law, or by the Governing Documents;

p. exercise any other powers necessary and proper for the governance and operation of the Association

6.5 Construction Defect Claims. Notwithstanding any provision of the Governing Documents to the contrary, the Association, before instituting litigation or arbitration involving construction defect claims against a development party, shall comply with the provisions of Section 515B.3.102(e) of the Act. The Association may intervene in a litigation or arbitration involving a construction defect claim or assert a construction defect claim as a counterclaim, crossclaim, or third-party claim before complying with Section 515B.3-102(e) of the Act, but the Association's complaint in an intervention, counterclaim, crossclaim, or third-party claim shall be dismissed without prejudice unless the Association has complied with the requirements of Section 515B.3-103(e) of the Act within 90 days of the association's commencement of the complaint in an intervention or the assertion of the counterclaim, crossclaim, or third-party claim.

6.6 Meetings and Notices. An annual meeting of the Board shall be held promptly following each annual meeting of the Owners. At each annual meeting of the Board, the officers of the Association shall be elected.

a. Regular Meetings. Regular meetings of the Board shall be held at least on a quarterly basis, at such times as may be fixed from time to time by a majority of the members of the Board of Directors. A schedule, or any amended schedule, of regular meetings shall be provided to the directors

b. Special Meetings. Special meetings of the Board of Directors shall be held when called (i) by the President of the Association, or (ii) by the Secretary within 10 days following the written request of any two (2) directors.. Notice of a special meeting shall be given to each director not less than three (3) days in advance thereof. Notice to a director shall be deemed given when hand delivered, deposited in the United States mail postage prepaid to the registered address of such Director, or when emailed to the email address at which the director consents to receive notice.

c. Waiver of Notice. Any director may waive notice of any Board meeting orally, in writing, or by attendance at the meeting. If all directors are present at a Board meeting, no notice shall be required and any business may be transacted at such meeting.

d. Remote Communication. One or more of the directors may participate in a Board meeting by means of remote communication through which that director, other directors participating remotely, and all directors present at the meeting, may hear and communicate with each other. Alternatively, any meeting among the directors may be conducted solely by one or more means of remote communication through which all directors may similarly participate in the meeting.

e. Open Meetings. Except as otherwise provided in this Section, Board meetings must be open to the Owners. To the extent practicable, the Board shall give reasonable notice to the Owners of the date, time, and place of each Board meeting. If the date, time and place of meetings are provided for in the Governing Documents, announced at a previous Board meeting, posted in a location accessible to the Owners, and designated by the Board from time to time, or if an emergency requires immediate consideration of a matter by the Board, notice is not required. "Notice" has the meaning given in Section 11.1 of these Bylaws. Notwithstanding the foregoing, meetings may be closed at the discretion of the Board to discuss the following:

(1) personnel matters;

(2) pending or potential litigation, arbitration or other potentially adversarial proceedings between Owners, between the Board or Association and Owners, or other matters in which any Owners may have an adversarial interest, if the Board determines that closing the meeting is necessary to discuss strategy or to otherwise protect the position of the Board or Association or the privacy of an Owner or Occupant of a Unit or Fractional Interest; or

(3) criminal activity arising within the Property or involving an Owner or Occupant if the Board determines that closing the meeting is necessary to protect the privacy of the victim or that opening the meeting would jeopardize investigation of the activity.

Nothing in this Section imposes a duty on the Board to provide special facilities for meetings. The failure to give notice as required by this Section shall not invalidate the Board meeting or any action taken at the meeting.

6.7 Quorum and Voting. Except as provided by law or the Governing Documents, a majority of the directors in office at the time of any Board meeting shall constitute a quorum for the transaction of business at any Board meeting. Unless otherwise required by the Act or the Governing Documents, the act of a majority of the directors present and entitled to vote at any Board meeting at which a quorum is present shall be the act of the Board. A quorum, once

established, continues even after a director leaves a meeting. Each director shall have one (1) vote. In the absence of a quorum, the majority of the directors present may adjourn the meeting from time to time without notice other than announcement at the meeting until the quorum be had. Proxies shall not be permitted for Board meetings.

6.8 Action Taken Without a Meeting. An action required or permitted to be taken at a Board meeting may be taken without a meeting by written action signed, or consented to by authenticated electronic communication, by the number of directors that would be required to take the same action at a meeting of the Board at which all Directors were present. The written action is effective when it has been signed, or consented to by authenticated electronic communication, by the required number of directors, unless a different effective time is provided in the written action.

6.9 Vacancies. A vacancy in the Board of Directors shall be filled by a person elected within 30 days following the occurrence of the vacancy by a majority vote of the remaining directors, regardless of their number; except for vacancies created pursuant to Section 6.10.

6.10 Removal. A director may be removed, with or without cause, by a majority vote at any annual or special meeting of the Owners; provided: (i) the notice for the meeting states such purpose, (ii) the director to be removed is given the right to be heard at the meeting, and (iii) a new director is elected at the meeting of Owners to fill the vacancy caused by the removal. A director may also be removed by the Board if such director (i) has more than two unexcused absences from Board and/or Owners meetings during any 12 month period, or (b) assessments on the director's Unit or Fractional Interest are more than 60 days past due. Such vacancies shall be filled by a vote of the Owners as provided in this Section.

6.11 Resignation. A director may resign at any time by giving written notice to the Board, and such resignation shall take effect at the time of receipt of such notice or at any later date or time specified in the notice. Unless otherwise specified in these Bylaws, acceptance of a resignation shall not be necessary to make it effective.

6.12 Compensation. Except as authorized by the Owners, the directors shall not receive compensation for their services in such capacity. A Director may, upon approval of the Owners, be compensated for goods and services provided to the Association in the director's individual capacity. Directors may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

6.13 Fidelity Bond. Fidelity bonds or insurance coverage for unlawful taking of Association funds may be obtained and maintained on all directors and officers authorized to handle the Association's funds and other monetary assets, and the costs of such bonds shall be assessed as a Common Expense.

6.14 Board Members' Obligations. Board members are obligated to conduct the affairs of the Association in a prudent manner and to fairly and reasonably represent the Owners in conducting the affairs of the Association. In doing so, each Board member shall discharge the duties of the position (i) in good faith, (ii) in a manner that the director reasonably believes to be in the best interests of the Association, and (iii) with the care an ordinarily prudent person in a like position would exercise under similar circumstances, as more fully described in Section

515B.3-103(a) of the Act and Section 317A.251 of the Nonprofit Corporation Act.

6.15 Preventative Maintenance. The Board shall prepare and approve a written preventative maintenance plan, maintenance schedule, and maintenance budget for the Common Elements. The Association shall follow the approved preventative maintenance plan. The Board may amend, modify, or replace an approved preventative maintenance plan or an approved maintenance schedule from time to time. The Association must provide all Owners with a paper copy, electronic copy, or electronic access to the preventative maintenance plan, the maintenance schedule, and any amendments or modifications to or replacements of the preventative maintenance plan and the maintenance schedule.

6.16 Resale Certificates. In the event of a resale of a Unit or Fractional Interest, the Association, within ten (10) days after a request by an Owner, or the Owner's authorized representative, shall furnish the resale disclosure certificate required under Section 515B.4-107 of the Act.

SECTION 7
OFFICERS

7.1 Principal Officers. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by a majority of the Board. The Board may from time to time elect other officers and designate their duties as in their judgment may be necessary to manage the Association's affairs. A person may hold more than one office simultaneously, except those of President and Vice President. Ony the President and Vice President must be members of the Board of Directors.

7.2 Election. The Association's officers shall be elected annually by a majority of the directors of the Board at its annual meeting and shall hold office until (i) the next annual meeting of the Board and thereafter until a successor is elected, (ii) the officer resigns and such resignation becomes effective, (iii) the officer is no longer a Member of the Association, or (iv) the officer shall be removed as provided in these Bylaws. The Board shall fill all vacant offices at any regular meeting, or at any special meeting of the Board called for that purpose.

7.3 Removal. Upon affirmative vote of a majority of the Board members, any officer may be removed, with or without cause, and a successor elected at any regular meeting of the Board, or at any special meeting of the Board called for that purpose.

7.4 President. The President shall be the Association's chief executive officer and shall preside at all meetings of the Board of Directors and the Owners. The President shall have all customary powers and duties of a nonprofit corporation president pursuant to the Nonprofit Corporation Act, including, without limitation, the duty to supervise all other officers and to execute all contracts and similar obligations on behalf of the Association. The President shall have such other duties prescribed by the Board.

7.5 Vice President. The Vice President shall take the place of the President and perform the duties of the office whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be prescribed

by the Board of Directors.

7.6 Secretary. The Secretary shall be responsible for recording the minutes of all meetings of the Board and the Owners. The Secretary shall be responsible for keeping the books and records of the Association, and for giving all notices required by the Governing Documents unless directed otherwise by the Board. The Board may delegate the Secretary's administrative functions to a managing agent; provided that such delegation shall not relieve the Secretary of the ultimate responsibility for the Secretary's duties.

7.7 Treasurer. The Treasurer shall be responsible for all financial assets of the Association and shall be covered by insurance in such sum and with such companies as the Board may require. The Treasurer shall be responsible for keeping the Association's financial books, assessment rolls and accounts. The Treasurer shall cause the books of the Association to be kept in accordance with customary and accepted accounting practices and shall submit them to the Board for its examination upon request. The Treasurer shall cause all money and other monetary assets of the Association to be deposited in the name of the Association in depositories designated by the Board, shall cause the funds of the Association to be disbursed as ordered by the Board, and shall perform all other duties incident to the office of the Treasurer. The Board may delegate the Treasurer's administrative functions to a managing agent; provided that such delegation shall not relieve the Treasurer of the ultimate responsibility for the Treasurer's duties.

7.8 Compensation. Except as authorized by a vote of the Owners at a meeting thereof, officers of the Association shall not receive compensation for their services as officers in such capacity. An officer may, upon approval by the Board, be reasonably compensated for goods and services provided to the Association in the officer's individual capacity. Officers may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

SECTION 8
OPERATIONS

8.1 Assessment Procedures. The Board shall at annually prepare a budget of Common Expenses, and assess and levy such Common Expenses as Assessments against the Units as provided in the Declaration. The annual Assessments may include general Assessments and limited Assessments. Annual Assessments will be payable in equal installments payable monthly, quarterly or such other time interval as the Board approves.

a. The annual Assessments shall be levied against all Units effective as of the first day of the Association's fiscal year when the first Assessments installment is due, as determined by the Board, and notice shall be given to the Owners at least 30 days prior to the due date. The failure to timely levy or give notice of annual Assessments shall not relieve the Owners of their obligation to continue paying Assessment installments in the amount currently levied, as well as any increases subsequently levied.

b. If the annual assessment proves to be insufficient, the Board may amend the budget and Assessments or levy Special Assessments at any time. The levy shall occur upon the date specified in the resolution which fixes the Assessments.

c. The Board may levy Limited Assessments against only certain Units under Section 6 of the Declaration. Such Assessments may be included in the Assessments levied annually against the affected Units or may be levied separately at any time during the year. Such Assessments are not annual or Special Assessments within the meaning of the Governing Documents.

d. The budget may include a general operating reserve, and shall include an adequate reserve fund for maintenance, repair and replacement of the Common Elements and parts of the Units that must be maintained, repaired or replaced by the Association on a periodic basis.

e. The Association shall furnish copies of each budget on which the Assessment is based to an Owner or to an Eligible Mortgagee, upon request of such Owner.

8.2 Payment of Assessments. Annual Assessments shall be due and payable in monthly installments in advance on the first day of each month of the year or other period for which the Assessments are made, and Special Assessments shall be due when designated by the Board. All Owners shall be absolutely and unconditionally obligated to pay Assessments. No Owner or Occupant shall have any right of withholding, offset or deduction against the Association for any Assessments or related late charges or collection costs regardless of any claims alleged against the Association or its officers or directors. An Owner may only pursue such rights or claims by separate action.

8.3 Default in Payment of Assessments. If any Owner does not make payment on or before the date when any Assessments or installment thereof is due, subject to such grace periods as may be established, the Board may assess, and such Owner shall be obligated to pay, a late charge as provided in the Declaration for each such unpaid Assessment or installment thereof, together with all expenses, including reasonable attorneys' fees, incurred by the Board in collecting any such unpaid Assessments.

a. If there is a default of more than 30 days in payment of any Assessments, the Board may accelerate any remaining installments of the Assessments upon prior written notice thereof to the Owner, and the entire unpaid balance of the Assessments and late charges shall become due and payable upon the date stated in the notice unless all past due amounts, including late charges, costs of collection and fines, are paid prior to said date.

b. The Board shall have the right and duty to attempt to recover all assessments for Common Expenses, together with any charges, attorneys' fees or expenses relating to the collection thereof.

c. The rights and remedies referred to herein shall in no way limit the remedies available to the Association under the Governing Documents or by law.

8.4 Foreclosure of Liens for Unpaid Assessments. The Association has the right to foreclose a lien against a Unit for Assessments imposed by the Association, as more fully described in the Declaration and the Act.

8.5 Records. The Board shall keep at the Association's registered office, and at such other place as the Board of Directors may determine from time to time, copies of its Articles and Bylaws, records of Board actions, minutes of meetings of the Board, minutes of the meetings of the Owners, the names of the Owners and Eligible Mortgagees, copies of contracts, leases, and other Association agreements, accounting records, and detailed records of the Association's receipts and expenditures. The Association shall keep records with enough detail to create the annual report required by the Bylaws and to provide all information required for disclosures upon resale of Units. With the exception of records that may be privileged or confidential information, all Association records, including without limitation receipts, expenditures and any vouchers authorizing payments, shall be available for examination by Owners and Eligible Mortgagees upon reasonable notice and during normal business hours. Records shall be maintained for each Unit including amounts assessed against the Unit, the due date, any paid amounts, and the remaining unpaid balance.

8.6 Enforcement of Obligations. All Owners and Occupants and their guests are obligated and bound to observe the provisions of the Governing Documents, the Rules, and the Act. The Association may impose any or all of the charges, sanctions and remedies authorized by the Governing Documents or by law to enforce and implement its rights and to otherwise enable it to manage and operate the Association.

8.7 Attorney Fees and Costs. Notwithstanding any provisions of the Governing Documents to the contrary, attorney fees and costs shall not be charged or collected from a Owner who disputes a fine for a violation of the Governing Documents or Rules or who disputes an assessment and, if after the Owner requests a hearing and a hearing is held by the Board or a committee of the Board, the Board does not adopt a resolution levying the fine or upholding the assessment against the Owner or Owner's Unit or Fractional Interest.

8.8 Written Notice of Fine or Assessment. Notwithstanding any provisions of the Governing Documents to the contrary, if the Association (i) levies a fine for a violation of the Governing Documents or Rules, (ii) levies an assessment for the costs of repairing damage to the Common Elements or another Unit caused by the act of omission of an Owner or Occupant of a Unit or Fractional Interest, or their invitees, to the extent not covered by insurance, must provide a dated, written notice to the Owner that:

a. states the amount and reason for the fine or assessment;

b. for fines, specifies: (i) the violation for which a fine is being levied and the date of the levy; and (ii) the specific section of the Governing Documents or Rules allegedly violated;

c. for assessments levied for the costs of repairing damage to the Common Elements or another Unit caused by the act of omission of an Owner or Occupant of a Unit or Fractional Interest, or their invitees, to the extent not covered by insurance, identifies: (i) the damage caused; and (ii) the act or omission alleged to have caused the damage;

d. states that all unpaid fines and assessments are liens which, if not satisfied, could lead to foreclosure of the lien against the Owner's Unit;

e. describes the Owner's right to be heard by the Board or a committee appointed by the Board;

f. states that if the assessment, fine, late fees, and other allowable charges are not paid, the amount may increase as a result of the imposition of attorney fees and other collection costs; and

g. informs the Owner that homeownership assistance is available from the Minnesota Homeownership Center.

SECTION 9
AMENDMENT

These Bylaws may be amended, and the amendment shall be effective, upon the satisfaction of the following conditions:

9.1 Approval. Amendments must be approved by the affirmative vote of at least 51% of the total votes in the Association, (i) in writing, or (ii) at a duly held meeting of the Owners.

9.2 Notice. A copy of the proposed amendment and notice of any meeting shall be hand delivered, or mailed by United States mail, or emailed (provided that if notice is sent by email, it must also be sent by United States mail), to all Persons authorized to vote.

9.3 Effective Date, Recording. Any amendment shall be effective on the date of approval by the required vote of the Owners and applicable Persons whose vote is required and need not be recorded.

SECTION 10
INDEMNIFICATION

The Association shall, to the extent not covered by insurance, indemnify every individual acting in an official capacity for the Association, pursuant to the provisions of Section 317A.521, as amended, of the Nonprofit Corporation Act.

SECTION 11
MISCELLANEOUS

11.1 Notices. Unless specifically provided otherwise in the Act, the Declaration or these Bylaws, all notices required to be given by or to the Association, the Board, the officers of the Association, or the Owners or Occupants shall be in writing and shall be effective upon hand delivery, or email if directed to an email address at which the Owner has consented to receive notice, or mailing if properly addressed with postage prepaid and deposited in the United States mail; except that registrations pursuant to Section 2.2 shall be effective upon receipt by the Association. Notices to Owners shall be given to the address of the Unit or another address if requested by the Owner. Notice is given when mailed or emailed or, if hand

delivered, when delivered.

11.2 Severability. The invalidity or unenforceability of any part of these Bylaws shall not affect the validity, enforceability or effect of the rest of the Bylaws.

11.3 Captions. All captions are inserted for reference and do not limit or prescribe the scope of these Bylaws or their intent.

11.4 Conflicts in Documents. In the event of any conflict between the provisions of the Governing Documents or Rules, the Governing Documents shall control. As among the Declaration, these Bylaws and the Rules, the Declaration shall control. The Bylaws shall control as against the Rules.

11.5 Waiver. No restriction, condition, obligation or provision contained in the Bylaws shall be considered waived by any failure to enforce the same, irrespective of the number of violations or breaches that may occur.

11.6 No Corporate Seal. The Association shall have no corporate seal.

11.7 Fiscal Year. The Board shall determine the fiscal year for the Association.

11.8 Election Under the Internal Revenue Code. The Board shall make and file all elections and documents required pursuant to Section 528 of the Internal Revenue Code of 1986 in order to exempt from taxation, insofar as possible, the income of the Association consisting of assessments paid by Owners.

The undersigned executes these Bylaws and certifies that these Bylaws were adopted by the first Board of Directors of the Eastside Cabins Owners' Association, a Minnesota nonprofit corporation, effective as of March 11, 2026.

_____

Secretary

Transaction Identification Data, for which the Company assumes no liability as set forth in Commitment Condition 5.e.:

Issuing Agent: Lawyers Title Services, LLC
Issuing Office: 7153 Forthun Road, Suite 110, Baxter, MN 56425
Issuing Office's ALTA® Registry ID:
Loan ID No.:
Commitment No.: 20260181-1
Issuing Office File No.: 20260181
Property Address: Lot 12, Ruttgers Lakeside Cottages, Deerwood, MN 56444

SCHEDULE A

1. Commitment Date: March 6, 2026 at 08:00 AM

2. Policy to be issued:

a. ALTA Owners Policy (07-01-2021)
Proposed Insured: Blackburn IM Ruttgers SPV, LLC
Proposed Amount of Insurance: $0.00
The estate or interest to be insured: Fee Simple

b. ALTA Loan Policy (07-01-2021)
Proposed Insured: , its successors and/or assigns as their respective interests may appear.
Proposed Amount of Insurance: $0.00
The estate or interest to be insured: Fee Simple

3. The estate or interest in the Land at the Commitment Date is:

Fee Simple

4. The Title is, at the Commitment Date, vested in:

Blackburn IM Ruttgers SPV, LLC

5. The Land is described as follows:

SEE EXHIBIT A ATTACHED HERETO

MKadus

_____
Michelle D. Kadus

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; and Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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SCHEDULE B, PART I - REQUIREMENTS

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.

2. Pay the agreed amount for the estate or interest to be insured.

3. Pay the premiums, fees, and charges for the Policy to the Company.

4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.

   a. Mortgage from Blackburn IM Ruttgers SPV, LLC to , securing the principal amount of $0.00.

5. Real estate taxes due and payable in 2026 in the amount of $25,578.00 are NOT YET PAID.

   Base Tax: $25,578.00
   Parcel Identification Number: 50030598
   Property is NON-HOMESTEAD for taxes due and payable in the year 2026.

6. There may be annual recurring fees charged by the municipality and/or county, which are automatically certified to the real estate taxes.

7. Matters which a physical inspection of the land would disclose. The Company has ordered a plat drawing and/or inspection and there may be further requirements prior to closing. If there are no further requirements, this item will be automatically deleted (without an Endorsement being issued).

8. No Assessments: Levied or Pending per Bay Lake Township Clerk. Check with County.

9. Obtain for recording the Plat of Ruttgers Lakeside Cottages 2nd Addition, together with all government approvals, and related documents as required thereby. Provide to company for review and possible further requirement.

10. Obtain and submit to the company for recording a Consent to Plat executed by the mortgagee of the following:

    Mortgage dated May 8, 2023, recorded June 8, 2023, as Document No. 984920 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers SPV, LLC, in favor of First Western Bank & Trust having an original principal balance of $6,000,000.00.

    The above mortgage is a Revolving Line of Credit/Equity Loan mortgage. If the line of credit/equity line is to be paid off, obtain and submit to the Company the payoff amount and proof of cancellation of the line of credit. The cancellation must state the loan has been closed and no further advances will be made.

    NOTE: Contains Additional Lands.

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11. Obtain and submit to the company for recording a Consent to Plat executed by the mortgagee of the following:

    Mortgage dated June 12, 2024, recorded June 20, 2024, as Document No. 997745 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers SPV, LLC, in favor of First Western Bank & Trust having an original principal balance of $4,000,000.00.

    The above mortgage is a Revolving Line of Credit/Equity Loan mortgage. If the line of credit/equity line is to be paid off, obtain and submit to the Company the payoff amount and proof of cancellation of the line of credit. The cancellation must state the loan has been closed and no further advances will be made.

    NOTE: Contains Additional Lands.

12. Obtain and submit to the company for recording a Consent to Plat executed by the mortgagee of the following:

    Mortgage dated June 12, 2024, recorded July 1, 2024, as Document No. 998129 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers Golf, LLC, in favor of First Western Bank & Trust having an original principal balance of $4,000,000.00.

    The above mortgage is a Revolving Line of Credit/Equity Loan mortgage. If the line of credit/equity line is to be paid off, obtain and submit to the Company the payoff amount and proof of cancellation of the line of credit. The cancellation must state the loan has been closed and no further advances will be made.

    NOTE: Contains Additional Lands.

13. Obtain and submit to the company for recording a Consent to Plat executed by the mortgagee of the following:

    Mortgage dated December 10, 2025, recorded December 17, 2025, as Document No. 1018427 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers SPV, LLC, in favor of American Land & Capital LLC, a Minnesota Limited Liability Company, having an original principal balance of $4,800,000.00.

    NOTE: Subordination Agreement recorded December 17, 2025, as Document No. 1018428 subordinates the following Mortgages: Document No. 998129, No. 997745, and No. 984920.

14. Submit to the Company prior to closing, a current homeowners association statement from Ruttger's Lakeside Cottages Owners Association, indicating that all association dues and assessments are paid in full or stating the amount due as the date of closing.

15. COMPANY NAME: Blackburn IM Ruttgers SPV, LLC

    For Companies established after August 1, 2015, in accordance with Minn. Stat. 322C, the following is required from Blackburn IM Ruttgers SPV, LLC. Upon receipt and review the Company reserves the right to review and make further requirements.

    a. Articles of Organization
    b. LLC Operating Agreement
    c. Statement of Authority

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16. Determine whether any labor and/or materials were delivered to the premises within the past 120 days for new improvements and, if so, submit to the Company the Company's "Mechanic's Lien Covenant of Indemnity" executed by Owner/Builder.

17. Determine whether the property is currently occupied by a tenant and obtain the lease/rental agreement to ascertain tenancy rights, either as month-to-month or by virtue of written leases of persons in possession of any part of the subject property.

18. Company Affidavit of Owner/Mortgagor executed by Blackburn IM Ruttgers SPV, LLC.

19. This Commitment was prepared from the public records. Any Abstract furnished for examination will not be updated.

20. If an Owner's Policy of title insurance is not ordered at the closing, Company's "Notice of Availability of Owner's Title Insurance" form must be signed by the mortgagors.

21. The "gap period" will be insured, if this transaction is closed by Lawyers Title Services, LLC, or agent. The gap refers to the gap from the effective date of this commitment to the closing date and the gap from the closing date to the recording date of the instrument to be insured.

22. This Commitment is for the exclusive use of this Company and its affiliates in closing the transaction described herein. Anyone else closing off this Commitment shall be liable to this Company for all loss and damage, including payment of all charges shown on the Preliminary Invoice attached hereto.

23. FOR INFORMATIONAL PURPOSES ONLY:

    The County Records have been examined for any conveyances in the last 24 months on the property referenced in Exhibit A of this commitment. The following transfer/conveyance document(s) appear of record in the Recorder's/Registrar's office in Crow Wing County:

    Current fee owners took title per a Warranty Deed dated May 8, 2023, recorded June 8, 2023 as Document No. 984916. There have been no new conveyances of record within the past 24 months.

SCHEDULE B, PART II - EXCEPTIONS

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This Commitment and the Policy treat any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document will be excepted from coverage.

The Policy will not insure against loss or damage resulting from the terms and conditions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I - Requirements are met.

2. The effect on the Title of an encumbrance, violation, variation, adverse circumstance, boundary line overlap, or encroachment (including an encroachment of an improvement across the boundary lines of the Land), but only if

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the encumbrance, violation, variation, adverse circumstance, boundary line overlap, or encroachment would have been disclosed by an accurate and complete land title survey of the Land.

3. Rights or claims of parties in possession not shown by the Public Records.

4. Easements, or claims of easement, not shown by the Public Records.

5. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

6. All assessments and taxes due and payable in 2026, and thereafter.

7. No coverage is provided for municipal code compliance matters and fees, including, but not limited to, utilities, water, or sewer services, or fees for tree, weed, grass and snow or garbage removal, police boarding, vacant building registration and zoning.

8. Any interest outstanding of record in and to all the oil, gas and other minerals in and under and that may be produced from said premises, together with all rights, incident to or growing out of said outstanding minerals, including but not limited to outstanding oil and gas leases and easements.

9. No coverage is given for any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the land.

10. An easement for public highway purposes in the Quit Claim Deed dated May 1, 1931 recorded May 2, 1931 as Document No. 098218 (Book 86 of Deeds, Page 81) of Official Records.

11. An easement for state highway purposes in the Warranty Deed dated August 2, 1961 recorded September 15, 1961 as Document No. 201235 (Book 176 of Deeds, Page 146) of Official Records.

12. Subject to easements for Trunk Highway No. 6 in Final Certificate recorded November 17, 1967 as Document No. 229111 (Book 192 of Deeds, Page 128A) of Official Records.

13. The terms and provisions contained in the Declaration of Easements in favor of Ruttger's Bay Lake Lodge, Inc. dated April 15, 1985 recorded May 15, 1985, as Document No. 353388 (Book 91 of Miscellaneous, Page 730) of Official Records, Crow Wing County, Minnesota.

14. An easement for ingress and egress and utility purposes in the Personal Representative's Deed dated April 15, 1985 recorded May 15, 1985 as Document No. 353390 (Book 353 of Deeds, Page 88) of Official Records.

15. Subject to easements for Bay Lake Township Roads in Town Resolution recorded August 30, 1985 as Document No. 356467 (Book 93 of Miscellaneous, Page 312-344) of Official Records.

16. Subject to easements for State Highway No. 14 in Highway Easement recorded September 18, 1985 as Document No. 356964 (Book 356 of Deeds, Page 141) of Official Records.

17. Subject to easements for State Highway 14 in Highway Easement recorded January 31, 1986 as Document No. 360494 (Book 359 of Deeds, Page 527) of Official Records.

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18. An easement for constructing and maintaining a drainage culvert in the Drainage Easement dated December 3, 1986 recorded December 9, 1986 as Document No. 370260 (Book 368 of Deeds, Page 211) of Official Records.

19. An easement for county highway purposes in the Final Certificate dated December 22, 1986 recorded January 16, 1987 as Document No. 371648 (Book 101 of Miscellaneous, Page 95) of Official Records.

20. The terms and provisions contained in the Conditional Use Order dated October 30, 1987 recorded April 6, 1990, as Document No. 408624, re-recorded May 2, 1990 as Document No. 409479 of Official Records, Crow Wing County, Minnesota.

21. A 33.00 foot easement for road and utility purposes in the Warranty Deed dated May 30, 2003 recorded May 30, 2003 as Document No. 638217 of Official Records.

22. An easement for ingress and egress purposes in the Quit Claim Deed dated October 16, 2006 recorded October 17, 2006 as Document No. 718204 and as Document No. 718205 of Official Records.

23. Subject to drainage and utility easements as shown on the recorded plat of Ruttgers Lakeside Cottages dated April 22, 2021, filed April 27, 2021, as Document No. 951178.

24. The land is subject to the conditions and provisions of the State of Minnesota, Common Interest Ownership Act, and all acts supplementary and amendatory thereto, and the Declaration of Easements, Restrictions and Covenants dated April 22, 2021 recorded April 27, 2021 as Document No. 951180, and Declaration for Ruttgers Lakeside Cottages dated April 2, 2021 recorded April 27, 2021 as Document No. 951181.

25. An easement for scenic view and pedestrian access to Bay Lake in the Easement Agreement dated November 23, 2022 recorded December 5, 2022 as Document No. 979175 of Official Records.

26. The terms and provisions contained in the Conditional Use Permit dated March 22, 2024 recorded March 26, 2024, as Document No. 994926 of Official Records, Crow Wing County, Minnesota.

27. The terms and provisions contained in the Variance dated March 22, 2024 recorded March 26, 2024, as Document No. 994927 of Official Records, Crow Wing County, Minnesota.

28. The terms and provisions contained in the Ingress/Egress Easement Agreement dated December 10, 2025 recorded December 17, 2025 as Document No. 1018429 of Official Records, an easement for ingress and egress from County Road No. 14 for vehicular and pedestrian travel across and through the existing drives.

29. Subject to drainage and utility easements as shown on the recorded plat of Ruttgers Lakeside Cottages 2nd Addition dated TBD, filed TBD, as Document No. TBD.

30. Covenants, conditions, restrictions and easements in the Declaration dated TBD recorded TBD as Document No. TBD in the office of the Crow Wing County Recorder, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or any State Statute or Local Ordinance. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

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31. The land is subject to the conditions and provisions of the State of Minnesota, Common Interest Ownership Act, and all acts supplementary and amendatory thereto, and the Declaration dated TBD recorded TBD as Document No. TBD.

32. Homeowners Association Assessments and monthly dues levied after the date of closing. None are due and payable as of the date of closing.

33. Rights of adjoining owners in the use and possession of a common driveway and/or common element over the land and other land.

34. Any and all encumbrances and/or easements affecting the common areas and/or common elements.

35. Rights of the public in and to that portion of the land described herein lying within the bounds of State Trunk Highway Number 6 and County State Aid Highway Number 14/Tame Fish Lake Road, including but not limited to: Any street, highway, road and/or alley; as laid out, presently used, or dedicated.

36. Decrease in area, if any, of the premises in question by erosion and the consequences of any future change in the location of the Bay Lake.

37. Water rights, claims or title to water, whether or not shown by the public record relative to Bay Lake.

38. Rights of the United States of America and/or the State of Minnesota, the county, the municipality, and the public, in and to that part of the land which may be within public waters/wetlands of Bay Lake.

39. Tenancy rights, either as month to month, or by virtue of written leases of persons in possession of any part of the subject property.

40. Mortgage dated May 8, 2023, recorded June 8, 2023, as Document No. 984920 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers SPV, LLC, in favor of First Western Bank & Trust having an original principal balance of $6,000,000.00.

    NOTE: Contains Additional Lands.

    Consent to Plat by mortgagee dated TBD recorded TBD as Document No. TBD.

41. Mortgage dated June 12, 2024, recorded June 20, 2024, as Document No. 997745 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers SPV, LLC, in favor of First Western Bank & Trust having an original principal balance of $4,000,000.00.

    NOTE: Contains Additional Lands.

    Consent to Plat by mortgagee dated TBD recorded TBD as Document No. TBD.

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42. Mortgage dated June 12, 2024, recorded July 1, 2024, as Document No. 998129 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers Golf, LLC, in favor of First Western Bank & Trust having an original principal balance of $4,000,000.00.

    NOTE: Contains Additional Lands.

    Consent to Plat by mortgagee dated TBD recorded TBD as Document No. TBD.

43. Mortgage dated December 10, 2025, recorded December 17, 2025, as Document No. 1018427 in the office of the Crow Wing County Recorder/Registrar by Blackburn IM Ruttgers SPV, LLC, in favor of American Land & Capital LLC, a Minnesota Limited Liability Company, having an original principal balance of $4,800,000.00.

    NOTE: Subordination Agreement recorded December 17, 2025, as Document No. 1018428 subordinates the following Mortgages: Document No. 998129, No. 997745, and No. 984920.

    Consent to Plat by mortgagee dated TBD recorded TBD as Document No. TBD.

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File No.: 20260181

The Land referred to herein below is situated in the County of Crow Wing, State of Minnesota and is described as follows:

Lot 12, Block 1, RUTTGERS LAKESIDE COTTAGES, Crow Wing County, Minnesota.

To be platted as:
Lots 1 through 14, Block 1, RUTTGERS LAKESIDE COTTAGES 2nd ADDITION, Crow Wing County, Minnesota.

Abstract Property

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ALTA COMMITMENT FOR TITLE INSURANCE
issued by
FIRST AMERICAN TITLE INSURANCE COMPANY

NOTICE

IMPORTANT - READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and the Commitment Conditions, First American Title Insurance Company, a Nebraska Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Amount of Insurance and the name of the Proposed Insured.

If all of the Schedule B, Part I - Requirements have not been met within 90 Days after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

FIRST AMERICAN TITLE INSURANCE COMPANY

By: _____ By: _____

Sally F. Tyler, President — Lisa W. Cornehl, Secretary

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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COMMITMENT CONDITIONS

1. DEFINITIONS

a. "Discriminatory Covenant": Any covenant, condition, restriction, or limitation that is unenforceable under applicable law because it illegally discriminates against a class of individuals based on personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or other legally protected class.

b. "Knowledge" or "Known": Actual knowledge or actual notice, but not constructive notice imparted by the Public Records.

c. "Land": The land described in Item 5 of Schedule A and improvements located on that land that by State law constitute real property. The term "Land" does not include any property beyond that described in Schedule A, nor any right, title, interest, estate, or easement in any abutting street, road, avenue, alley, lane, right-of-way, body of water, or waterway, but does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.

d. "Mortgage": A mortgage, deed of trust, trust deed, security deed, or other real property security instrument, including one evidenced by electronic means authorized by law.

e. "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.

f. "Proposed Amount of Insurance": Each dollar amount specified in Schedule A as the Proposed Amount of Insurance of each Policy to be issued pursuant to this Commitment.

g. "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.

h. "Public Records": The recording or filing system established under State statutes in effect at the Commitment Date under which a document must be recorded or filed to impart constructive notice of matters relating to the Title to a purchaser for value without Knowledge. The term "Public Records" does not include any other recording or filing system, including any pertaining to environmental remediation or protection, planning, permitting, zoning, licensing, building, health, public safety, or national security matters.

i. "State": The state or commonwealth of the United States within whose exterior boundaries the Land is located. The term "State" also includes the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, and Guam.

j. "Title": The estate or interest in the Land identified in Item 3 of Schedule A.

2. If all of the Schedule B, Part I - Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

a. the Notice;
b. the Commitment to Issue Policy;
c. the Commitment Conditions;
d. Schedule A;
e. Schedule B, Part I - Requirements;
f. Schedule B, Part II - Exceptions; and
g. a counter-signature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company is not liable for any other amendment to this Commitment.

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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5. LIMITATIONS OF LIABILITY

a. The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
   i. comply with the Schedule B, Part I - Requirements;
   ii. eliminate, with the Company's written consent, any Schedule B, Part II - Exceptions; or
   iii. acquire the Title or create the Mortgage covered by this Commitment.

b. The Company is not liable under Commitment Condition 5.a. if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.

c. The Company is only liable under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.

d. The Company's liability does not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Condition 5.a. or the Proposed Amount of Insurance.

e. The Company is not liable for the content of the Transaction Identification Data, if any.

f. The Company is not obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I - Requirements have been met to the satisfaction of the Company.

g. The Company's liability is further limited by the terms and provisions of the Policy to be issued to the Proposed Insured.

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT; CHOICE OF LAW AND CHOICE OF FORUM

a. Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.

b. Any claim must be based in contract under the State law of the State where the Land is located and is restricted to the terms and provisions of this Commitment. Any litigation or other proceeding brought by the Proposed Insured against the Company must be filed only in a State or federal court having jurisdiction.

c. This Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.

d. The deletion or modification of any Schedule B, Part II - Exceptions does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.

e. Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.

f. When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT IS ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for closing, settlement, escrow, or any other purpose.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

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9. CLAIMS PROCEDURES
This Commitment incorporates by reference all Conditions for making a claim in the Policy to be issued to the Proposed Insured. Commitment Condition 9 does not modify the limitations of liability in Commitment Conditions 5 and 6.

10. CLASS ACTION
ALL CLAIMS AND DISPUTES ARISING OUT OF OR RELATING TO THIS COMMITMENT, INCLUDING ANY SERVICE OR OTHER MATTER IN CONNECTION WITH ISSUING THIS COMMITMENT, ANY BREACH OF A COMMITMENT PROVISION, OR ANY OTHER CLAIM OR DISPUTE ARISING OUT OF OR RELATING TO THE TRANSACTION GIVING RISE TO THIS COMMITMENT, MUST BE BROUGHT IN AN INDIVIDUAL CAPACITY. NO PARTY MAY SERVE AS PLAINTIFF, CLASS MEMBER, OR PARTICIPANT IN ANY CLASS OR REPRESENTATIVE PROCEEDING. ANY POLICY ISSUED PURSUANT TO THIS COMMITMENT WILL CONTAIN A CLASS ACTION CONDITION.

11. ARBITRATION
The Policy contains an arbitration clause. All arbitrable matters when the Proposed Amount of Insurance is $2,000,000 or less may be arbitrated at the election of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at http://www.alta.org/arbitration.

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Platted Subdivision - 50030598 - Madison - Saved

Application

Application Summary | Plat | Invoice | Timeline | Documents | Follow Up | Related

Primary Parcel number (PIN) *	50030598 ×
Parcel number *	50030598
Owner name	BLACKBURN IM RUTTGERS SP...
Physical address	25039 TAME FISH LAKE RD
Physical city	DEERWOOD
Physical zip	56444
Township	BAY LAKE TOWNSHIP
Shoreland District	Yes
Shoreland Protection Zone	Yes
Riparian	Yes
Within 500ft of the Mississippi	No
Lake/River	BAY
Deeded acres	11.22
Zoning	SD

Owner Information

Name *	BLACKBURN IM RUTTGERS SPV LLC	Mailing Street 1 *	227 W 1st Street
Phone Number *	[redacted]	Mailing Street 2	#650
Email *	[redacted]	Mailing City *	Duluth
		Mailing State *	MN
		Mailing Zip code *	55802

Application Type: Platted Subdivision ×

Applicant Information

Applicant *	Grant Madison ×
Is Applicant the Property owner *	I am the owner of a property listed as a trust, LLC, etc.
Authorized Agent Name	---
Public Hearing Agent Type	---
Contractor License Number	---
Email	---
Phone	---
Assisted at Counter	No
Customer Service Rep	
Application Submit Date	3/11/2026

Preliminary or Final Plat

Is this a preliminary plat or final plat?	Final plat

Required Items - Preliminary Plat

Development Review Team (DRT) Meeting	Yes
DRT Meeting Date	---
Are you submitting preliminary plat and final plat together	---
Is a survey on file following the requirements of Article 9 & 44 of the Land Use Ordinance	---
Enter number of proposed lots	13
Enter number of proposed Out-lots	1
Do all lots have access to a 66' wide road?	---
Required septic information on file	---
Is wetland info on file with CWC?	Yes

Required Items - Final Plat

Is a preliminary plat on file?	---
Are you submitting preliminary plat and final plat together	---
Is final plat in 1st Assessment Township?	---
If yes, are you submitting engineered construction plans for any roads, stormwater, and/or other improvements required or proposed?	---
Are all conditions provided by the planning commision for the preliminary plat completed	---

Have monuments been set?	---
If no, when will they be?	---
Title Commitment uploaded in application?	---

Findings of Fact

Does the proposed plat conform to the County's Comprehensive Plan?	Yes
Is the proposal consistent with the existing County Subdivision Ordinance? Specify the applicable sections of the ordinance.	Yes
Are there any other standards, rules or requirements that this plat must meet? Specify other required standards.	No
Is the proposed plat compatible with the present land uses in the area of the proposal?	Yes
Does the plat conform to all applicable performance standards in Article 4.5 of the Subdivision Ordinance?	Yes
How are the potential environmental impacts being resolved? (Does the plat meet County standards?) Explanation should include: Stormwater, Erosion/Sediment Control, Wetlands, Floodplains, Shoreland, Septic Systems	Siltation fence and tubing, Stormwater retention ponds consistent with county standards.
Have the potential public health, safety or traffic generation impacts been addressed?	Yes

REQUEST FOR BOARD ACTION

Meeting Date

Tuesday, April 28, 2026

Land Services	Tom Strack
ORIGINATING DEPARTMENT	PRESENTER

AGENDA ITEM: Amendment to the 2026 Crow Wing County Landfill Construction Contract

PREVIOUS ACTION:
- 1/27/2026 - Resolution authorizing advertising for bids.
- 4/14/2026 - County Board authorized entering into a contract with Pratt's Affordable Excavation Inc for $4,444,540.00

COMMENTS:
- 3/4/26 bids were solicited
- 3/23/26 bids were opened
- Land Services budgeted $5,000,000 from Solid Waste Funds to complete the following: relining of leachate ponds 1,2 & 3, final closure of the east slopes of Cells 3 & 4, the addition of a raincoat on the west slopes of Cells 3 & 4 and the construction of Cell 6.
- Our engineer’s estimate for the project was $4,645.620 and we only received one bid for our project from Pratt’s Affordable Excavation Inc. for $4,444,540.00.
- After Bids were approved by the Board, the contractor requested a $37,065.00 increase in their bid price because of the volatility of materials to complete the project and the time in between bid opening and board approval (22 days).
- The contractor stated the cost of resin to produce the necessary liner & geo composites has been exponentially increasing due to the conflict in Iran.

RECOMMENDED BOARD ACTION:
Authorize an amendment of $37,065.00 to the 2026 Crow Wing County Landfill Construction for a total of $4,481,605.00 with Pratt’s Affordable Excavation Inc.

Approximate length of presentation:

SUMMARY OF COUNTY BOARD
CORRESPONDENCE FOR MEETING OF
April 28, 2026

1. MnDHS Letter commending perfect performance meeting DHS financial reporting requirements for 2025.

DEPARTMENT OF HUMAN SERVICES

Minnesota Department of Human Services
Elmer L. Andersen Building
Commissioner Shireen Gandhi
Post Office Box 64998
St. Paul, Minnesota 55164-0998

April 10, 2026

Ms. Rosemary Franzen
Chair, Crow Wing Board of Commissioners
204 Laurel Street
Brainerd, MN 56401

Re: Calendar year 2025 financial reporting

Dear Commissioner Franzen:

It is my pleasure to commend you and your staff for perfect performance in meeting the Department of Human Services (DHS) financial reporting requirements for calendar year 2025. All key quarterly fiscal reports for programs your county participates in were submitted to our Financial Operations Division on or before the report deadlines in perfect order. This effort required submission of 32 major reports covering the four calendar quarters of 2025. These reports are:

Local Collaborative Time Study (LCTS)*	Income Maintenance Expense
MFIP Consolidated Fund	Social Service Fund
Client Statistics	Title IV-E
SEAGR	BRASS-Based Grant Fiscal Report

*If your county participates in a "local collaborative", submission of this report my require the collection of multiple local partner reports for consolidated submission to DHS.

I know this accomplishment requires planning, an efficient operation, and teamwork within your county Human Service Department. The result is timely revenue for your county and compliance with federal reporting for us at the State. Please congratulate your management and staff on this superb effort.

Sincerely,

Shireen K. Gandhi

Shireen Gandhi
Commissioner

Cc: Kara Terry, Crow Wing County Director