

Mountain Lake City Council Meeting
Mountain Lake City Hall
Tuesday, September 6, 2016
6:30 p.m.

AGENDA

1. Meeting called to order by Mayor Mike Nelson
 - * Further information on agenda item is attached

2. Approval of Agenda and Consent Agenda
 - a. Approval of Bills: Check #'s 9919105 – 9919156, 447E – 450E*(1-6)
Payroll #'s 62651 - 62685
 - b. Approval of August 15 Council Minutes*(7-10)
 - c. Approval of July 28 Utility Commission Minutes*(11)
 - d. Approval to Close a Portion of Eighth Street, Sunday, September 11*(12-13)
 - e. Accept Resignation, Levi Grams, Trails, as of September 8, 2016*(14)

3. Public – A total of ten (10) minutes is allotted for individuals to briefly discuss a topic of concern with the Council.

4. Mountain Lake Fire Department, Tim Coners, Chief*(15-17)
 - a. 2017 Budget
 - b. Pumper

5. Third Reading, Ordinance #8-16, Amending Section 7.04 Cemetery Regulation*(18)

6. Adoption of Resolution #21-16, Establishing Salaries for City of Mountain Lake Commission and Board Members*(19-20)

7. First Reading, Ordinance #10-16 Amending Section 2.13 Salaries of Mayor, Council Members, and Members of Boards and Commissions*(21)

8. Economic Development Land Purchase – New Industrial Park*(22-26)

9. 2017 Budget – Separate Handout

10. Administrator
 - a. Kuechle Settlement Payment*(27)
 - b. Community Center Use*(27)

- c. Street Department, Seal Coating Update*(27)
- d. Public Nuisance Update
- e. CMPAS Annual Membership Meeting Invitation*(28)
- f. CenterPoint Church Invitation*(29)

11. Preparation for Union Negotiations – Meeting May be Closed.

12. Adjourn

***Check Detail Register©**

*September 6, 2016
mtg*

August 2016 to September 2016

*9919105-9919156
447E-450E*

	Check Amt	Invoice	Comment
10100 United Prairie			
Paid Chk# 9919105 8/15/2016		SID EWERT	
E 507-45150-430 Miscellaneous	\$180.00		2016 WEED HARVESTOR RENT
Total SID EWERT	\$180.00		
Paid Chk# 9919106 8/18/2016		AFLAC	
G 101-21713 AFLAC	\$192.74		
Total AFLAC	\$192.74		
Paid Chk# 9919107 8/18/2016		AFSCME COUNCIL 65	
G 101-21707 Union Dues	\$154.86		
Total AFSCME COUNCIL 65	\$154.86		
Paid Chk# 9919108 8/18/2016		BCBS/HSA	
G 101-21714 HSA	\$393.85		
Total BCBS/HSA	\$393.85		
Paid Chk# 9919109 8/18/2016		COMMISSIONER OF REVENUE	
G 101-21702 State Withholding	\$830.26		
Total COMMISSIONER OF REVENUE	\$830.26		
Paid Chk# 9919110 8/18/2016		GISLASON & HUNTER	
G 101-21712 Garnishments	\$362.72		
Total GISLASON & HUNTER	\$362.72		
Paid Chk# 9919111 8/18/2016		INTERNAL REVENUE SERVICE	
G 101-21703 FICA Tax Withholding	\$2,598.54		
G 101-21701 Federal Withholding	\$1,893.01		
Total INTERNAL REVENUE SERVICE	\$4,491.55		
Paid Chk# 9919112 8/18/2016		PERA	
G 101-21704 PERA	\$4,135.04		
Total PERA	\$4,135.04		
Paid Chk# 9919113 8/18/2016		SWWC SERVICE COOPERATIVES	
G 101-21708 Employee Paid Health Insurance	\$1,169.90		
Total SWWC SERVICE COOPERATIVES	\$1,169.90		
Paid Chk# 9919114 8/18/2016		VALIC	
G 101-21705 VALIC	\$388.00		
Total VALIC	\$388.00		
Paid Chk# 9919115 9/1/2016		AFLAC	
G 101-21713 AFLAC	\$192.74		
Total AFLAC	\$192.74		
Paid Chk# 9919116 9/1/2016		BCBS/HSA	
G 101-21714 HSA	\$393.85		
Total BCBS/HSA	\$393.85		
Paid Chk# 9919117 9/1/2016		COMMISSIONER OF REVENUE	
G 101-21702 State Withholding	\$756.53		
Total COMMISSIONER OF REVENUE	\$756.53		
Paid Chk# 9919118 9/1/2016		GISLASON & HUNTER	
G 101-21712 Garnishments	\$362.72		

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August 2016 to September 2016

			Check Amt	Invoice	Comment
Total GISLASON & HUNTER			\$362.72		
Paid Chk#	9919119	9/1/2016	INTERNAL REVENUE SERVICE		
	G 101-21701	Federal Withholding	\$1,720.27		
	G 101-21703	FICA Tax Withholding	\$2,322.92		
	Total INTERNAL REVENUE SERVICE		\$4,043.19		
Paid Chk#	9919120	9/1/2016	LAW ENFORCEMENT LABOR SERV		
	G 101-21711	PD UNION DUES	\$147.00		
	Total LAW ENFORCEMENT LABOR SERV		\$147.00		
Paid Chk#	9919121	9/1/2016	PERA		
	G 101-21704	PERA	\$3,998.37		
	Total PERA		\$3,998.37		
Paid Chk#	9919122	9/1/2016	VALIC		
	G 101-21705	VALIC	\$388.00		
	Total VALIC		\$388.00		
Paid Chk#	9919123	9/1/2016	VOLUNTEER FIREMANS BENEFIT		
	E 221-42200-433	Dues and Subscriptions	\$161.00		FIRE DEPT ANNUAL MEMBERSHIP
	Total VOLUNTEER FIREMANS BENEFIT		\$161.00		
Paid Chk#	9919124	9/1/2016	MUNICIPAL UTILITIES		
	E 101-43160-381	Electric Utilities	\$2,663.53		JULY STREET LIGHTING
	Total MUNICIPAL UTILITIES		\$2,663.53		
Paid Chk#	9919125	9/1/2016	FRONTIER		
	E 211-45500-321	Telephone	\$65.24		LIBRARY PHONE-427-2506
	Total FRONTIER		\$65.24		
Paid Chk#	9919126	9/1/2016	ACTIVE911 INC		
	E 221-42200-433	Dues and Subscriptions	\$234.97		FIRE & AMB SUBSCRIPTION
	E 231-42154-433	Dues and Subscriptions	\$199.78		FIRE & AMB SUBSCRIPTION
	Total ACTIVE911 INC		\$434.75		
Paid Chk#	9919127	9/1/2016	ADVANCED SYSTEMS INC		
	E 205-46500-200	Office Supplies	\$106.92	494255	EDA-COPIES ON COLOR COPIER 6/1/16 TO 8/31/16
	E 101-41400-200	Office Supplies	\$404.20	494255	CITY-COPIES ON COLOR COPIER 6/1/16 TO 8/31/16
	Total ADVANCED SYSTEMS INC		\$511.12		
Paid Chk#	9919128	9/1/2016	ALEX AIR APPARATUS INC.		
	E 221-42200-404	Repairs/Maint Machinery/Equip	\$714.09	30540	TESTING & EQUIPMENT REPAIR-FD
	Total ALEX AIR APPARATUS INC.		\$714.09		
Paid Chk#	9919129	9/1/2016	ALPHA WIRELESS COMMUNICATIONS		
	E 221-42200-404	Repairs/Maint Machinery/Equip	\$31.50	684770	SPARE SHORT ANTENNA FOR RADIO
	E 221-42200-404	Repairs/Maint Machinery/Equip	\$31.50	684770	FD-ANTENNA FOR M.PANKRATZ RADIO
	otal ALPHA WIRELESS COMMUNICATIONS		\$63.00		
Paid Chk#	9919130	9/1/2016	AMAZON		
	E 211-45500-592	A.V. Materials	\$216.50		LIBRARY AV
	E 211-45500-590	Capital Outlay Books	\$33.77		LIBRARY BOOKS
	Total AMAZON		\$250.27		
Paid Chk#	9919131	9/1/2016	BARCO MUNICIPAL PRODUCTS		
	E 101-43100-430	Miscellaneous	\$274.00	IN-221389	DIAMOND BLADE-ST DEPT

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August 2016 to September 2016

			Check Amt	Invoice	Comment
E 101-43100-404	Repairs/Maint Machinery/Equip		\$638.13	IN-221530	STROBE LIGHTS-ST DEPT
Total	BARCO MUNICIPAL PRODUCTS		\$912.13		
Paid Chk# 9919132	9/1/2016	CARDMEMBER SERVICE			
E 101-00000-430	Miscellaneous		\$19.98		CODE42 SOFTWARE-DAILY BACKUP FEE
Total	CARDMEMBER SERVICE		\$19.98		
Paid Chk# 9919133	9/1/2016	COTTONWOOD COUNTY RECORDER			
E 202-49400-434	Project Expense		\$46.00		RECORDING FEE WELL #7 FOR PFA
Total	COTTONWOOD COUNTY RECORDER		\$46.00		
Paid Chk# 9919134	9/1/2016	DENNIS HULZEBOS			
E 101-45186-400	Janitor-Repairs/Maint		\$250.00		SEPTEMBER MAINT AT SR CTR
E 211-45500-400	Janitor-Repairs/Maint		\$345.00		SEPTEMBER MAINT AT LIBRARY
Total	DENNIS HULZEBOS		\$595.00		
Paid Chk# 9919135	9/1/2016	EXPERT T BILLING			
E 231-42154-300	Professional Svcs		\$540.00		JULY AMB BILLING
Total	EXPERT T BILLING		\$540.00		
Paid Chk# 9919136	9/1/2016	FRONTIER			
E 101-45186-321	Telephone		\$56.39		SR CTR PHONE-427-2151
E 101-41400-321	Telephone		\$190.52		CITY HALL PHONE-427-2999
E 101-42100-321	Telephone		\$219.88		POLICE DEPT PHONE-427-3403
E 101-00000-430	Miscellaneous		\$98.64		UT-PHONE
E 205-46500-321	Telephone		\$6.00		CHAMBER 800#
E 205-46500-321	Telephone		\$37.50		EDA PORTION OF DSL & 427-2999
E 101-43100-321	Telephone		\$60.31		STREET DEPT PHONE-427-2997
Total	FRONTIER		\$669.24		
Paid Chk# 9919137	9/1/2016	GREATAMERICA FINANCIAL SVCS			
E 205-46500-200	Office Supplies		\$5.62		EDA-MONTHLY COLOR COPY MACHINE LEASE
E 101-00000-430	Miscellaneous		\$91.31		UT-MONTHLY COLOR COPY MACHINE LEASE
E 101-41400-200	Office Supplies		\$26.35		OFFICE-MONTHLY COLOR COPY MACHINE LEASE
E 101-00000-430	Miscellaneous		\$8.43		CHAMBER-MONTHLY COLOR COPY MACHINE LEASE
E 101-42100-200	Office Supplies		\$8.78		PD-MONTHLY COLOR COPY MACHINE LEASE
Total	GREATAMERICA FINANCIAL SVCS		\$140.49		
Paid Chk# 9919138	9/1/2016	HEIMAN FIRE EQUIPMENT--USE THI			
E 221-42200-404	Repairs/Maint Machinery/Equip		\$206.30	0848844-IN	FD-PLUG N'DIKE,OVERPACK UNIVERAL KIT
Total	HEIMAN FIRE EQUIPMENT--USE THI		\$206.30		
Paid Chk# 9919139	9/1/2016	INDOFF INCORPORATED			
E 101-41400-200	Office Supplies		\$65.18	2826306	8 PART FOLDERS
E 101-41400-200	Office Supplies		\$10.46	2829356	AMB LEDGER SHEETS
E 101-42100-200	Office Supplies		\$7.36	2835792	PD-REAM OF YELLOW PAPER
Total	INDOFF INCORPORATED		\$83.00		
Paid Chk# 9919140	9/1/2016	JOHN YSKER			
E 101-43240-111	Contract		\$250.00		SEPTEMBER DUMP SALARY
Total	JOHN YSKER		\$250.00		
Paid Chk# 9919141	9/1/2016	KEN UNRUH			
E 312-47000-430	Miscellaneous		\$650.00		REIMBURSE FOR SIDEWALK REPAIR
Total	KEN UNRUH		\$650.00		
Paid Chk# 9919142	9/1/2016	MEMSA			

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August 2016 to September 2016

			Check Amt	Invoice	Comment
E 231-42154-308	Training & Instruction		\$150.00	1000	MEMSA CONF REGISTRATION-MARK WARNER
E 231-42154-308	Training & Instruction		\$280.00	8-19-16	2-EMT REGISTRATIONS FOR ANNUAL CONFERENCE
Total MEMSA			\$430.00		
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Paid Chk#	9919143	9/1/2016	MINNESOTA ENERGY RESOURCE CORP		
E 101-41400-383	Gas Utilities		\$65.59		CITY HALL GAS-ACCT#4346780-2
E 231-42154-383	Gas Utilities		\$17.45		AMB PORTION OF FIREHALL GAS-ACCT#4296165-6
E 101-43100-383	Gas Utilities		\$55.41		STREET GARAGE GAS-ACCT#4092120-7
E 101-45186-383	Gas Utilities		\$41.83		SR CTR GAS-ACCT#4010846-6
E 221-42200-383	Gas Utilities		\$35.44		FIRE DEPT PORTION OF FIREHALL GAS-ACCT#4296165-6
E 211-45500-383	Gas Utilities		\$52.89		LIBRARY GAS-ACCT#4134278-3
al MINNESOTA ENERGY RESOURCE CORP			\$268.61		
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Paid Chk#	9919144	9/1/2016	MINNESOTA MUTUAL LIFE		
E 211-45500-134	Employer Paid Life		\$1.70		SEPT LIFE INS-LIBRARY
G 101-21706	Hospitalization/Medical Ins		\$12.00		SEPT LIFE INS-STEVE PETERS
G 101-21706	Hospitalization/Medical Ins		\$10.90		SEPT LIFE INS-DARON FRIESEN
G 101-21706	Hospitalization/Medical Ins		\$25.30		SEPT LIFE INS-ROBB ANDERSON
E 101-42100-135	Employer Paid Other		\$1.70		SEPT BRIAN LUNZ LIFE INSURANCE
E 101-46200-134	Employer Paid Life		\$1.02		SEPT LIFE INS-CEMETERY
E 101-41400-134	Employer Paid Life		\$1.70		SEPT WENDY FAST-LAKER APTS-LIFE INS
E 101-43100-134	Employer Paid Life		\$3.06		SEPT LIFE INS-ST DEPT
E 101-41400-134	Employer Paid Life		\$3.40		SEPT LIFE INS-OFFICE
E 205-46500-134	Employer Paid Life		\$1.70		SEPT LIFE INS-EDA ROB ANDERSON
E 101-45200-134	Employer Paid Life		\$1.02		SEPT LIFE INS-PARKS DEPT
E 101-42100-134	Employer Paid Life		\$6.80		SEPT LIFE INS-POLICE DEPT
Total MINNESOTA MUTUAL LIFE			\$70.30		
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Paid Chk#	9919145	9/1/2016	MOUNTAIN LAKE PUBLIC SCHOOL		
E 101-45100-306	Management Fees		\$5,000.00		2016 SUMMER REC DONATION
E 101-45137-210	Operating Supplies		\$3,881.19		2ND QTR 2016 SWIMMING POOL CONTRIBUTION
Total MOUNTAIN LAKE PUBLIC SCHOOL			\$8,881.19		
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Paid Chk#	9919146	9/1/2016	MUNICIPAL UTILITIES		
E 101-45200-380	Elec,Water,Sewer		\$125.33		CITY PARK RESTROOMS UT
E 231-42154-380	Elec,Water,Sewer		\$67.12		AMB PORTION OF FIREHALL UT
E 240-46500-430	Miscellaneous		\$320.14		UT-FORMER CUSTOM MOTORS BLDG
E 101-45200-380	Elec,Water,Sewer		\$113.84		UT AT CITY PARK SHELTERHOUSE
E 101-45183-380	Elec,Water,Sewer		\$1,223.93		UT AT CAMPGROUND
E 608-46330-380	Elec,Water,Sewer		\$12.94		8-PLEX PORTION OF ST LITE ON HERITAGE DRIVE
E 101-45200-380	Elec,Water,Sewer		\$94.16		LAWCON PARK LIGHTS
E 211-45500-380	Elec,Water,Sewer		\$364.21		LIBRARY UT
E 221-42200-380	Elec,Water,Sewer		\$136.27		FIRE DEPT PORTION OF FIREHALL UT
E 101-43100-380	Elec,Water,Sewer		\$197.87		ST DEPT UT
E 101-45186-380	Elec,Water,Sewer		\$438.19		SR CTR UT
E 101-41400-380	Elec,Water,Sewer		\$376.37		CITY HALL UT
E 607-46330-380	Elec,Water,Sewer		\$6.67		4-PLEX PORTION OF ST LITE ON HERITAGE DRIVE
Total MUNICIPAL UTILITIES			\$3,477.04		
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Paid Chk#	9919147	9/1/2016	MUSKE, MUSKE, SURHOFF		
E 101-41400-304	Legal Fees		\$1,400.00		SEPTEMBER LEGAL RETAINER
E 101-41400-304	Legal Fees		\$654.50		ADDITIONAL LEGAL FEES
Total MUSKE, MUSKE, SURHOFF			\$2,054.50		
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Paid Chk#	9919148	9/1/2016	PETTIPIECE & ASSOCIATES		

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August 2016 to September 2016

			Check Amt	Invoice	Comment
E 202-41400-434	Project Expense		\$4,919.00		GRANT ADMIN
	Total PETTIPIECE & ASSOCIATES		\$4,919.00		
Paid Chk# 9919149	9/1/2016	PRAXAIR			
E 231-42154-210	Operating Supplies		\$81.47	74095942	OXYGEN FOR AMB
	Total PRAXAIR		\$81.47		
Paid Chk# 9919150	9/1/2016	PRO HYDRO-TESTING			
E 221-42200-404	Repairs/Maint Machinery/Equip		\$960.00	102469	FD-TESTING SCBA CYLINDERS
	Total PRO HYDRO-TESTING		\$960.00		
Paid Chk# 9919151	9/1/2016	TEXAS REFINERY CORP			
E 101-45200-430	Miscellaneous		\$173.50	108726	BIG RED CLEANER-PARKS
	Total TEXAS REFINERY CORP		\$173.50		
Paid Chk# 9919152	9/1/2016	THIRD AVENUE AUTO PARTS			
E 101-45200-404	Repairs/Maint Machinery/Equip		(\$2.81)		EARLY PAY CREDIT
E 101-45200-404	Repairs/Maint Machinery/Equip		\$10.75	S155284	OIL FILTER FOR LAWNMOWERS
E 101-45200-404	Repairs/Maint Machinery/Equip		\$10.78	S155364	TRIMMER LINE
E 101-43100-404	Repairs/Maint Machinery/Equip		\$68.70	S155399	AIR FILTER 320D
E 101-45200-212	Motor Fuels		\$6.49	S155403	2 CYCLE OIL
E 101-45200-212	Motor Fuels		\$2.53	S155446	OIL
	Total THIRD AVENUE AUTO PARTS		\$96.44		
Paid Chk# 9919153	9/1/2016	TITAN PRO			
E 101-45200-402	Repairs/Maint- Ground		\$81.59	7638	GENERIC GLYPHOSATE-PARKS
	Total TITAN PRO		\$81.59		
Paid Chk# 9919154	9/1/2016	VERIZON			
E 101-42100-321	Telephone		\$9.06		POLICE DEPT CELL PHONE
E 231-42154-321	Telephone		\$9.06		AMB DEPT CELL PHONE
E 101-42100-321	Telephone		\$35.03		PD TABLET #1
E 101-42100-321	Telephone		\$35.01		PD TABLET #2
E 231-42154-321	Telephone		\$35.05		AMB JET PACK
	Total VERIZON		\$123.21		
Paid Chk# 9919155	9/1/2016	VOLUNTEER FIREMANS BENEFIT			
E 221-42200-433	Dues and Subscriptions		\$11.00		FD-SHAWN HARDY MEMBERSHIP
	Total VOLUNTEER FIREMANS BENEFIT		\$11.00		
Paid Chk# 9919156	9/1/2016	WESTERN COMMUNITY ACTION			
E 202-46300-434	Project Expense		\$53,744.00		GRANT-OWNER OCCUPIED REHAB
	Total WESTERN COMMUNITY ACTION		\$53,744.00		
	10100 United Prairie		\$106,928.31		

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August 2016 to September 2016

Check Amt Invoice Comment

Fund Summary

10100 United Prairie	
101 GENERAL FUND	\$41,910.51
202 2014 SMALL CITIES DEVELOP PROG	\$58,709.00
205 ECONOMIC DEVELOPMENT AUTHORITY	\$157.74
211 LIBRARY FUND	\$1,079.31
221 FIRE DEPT FUND	\$2,522.07
231 AMBULANCE FUND	\$1,379.93
240 PROTIENT--DTED LOAN	\$320.14
312 CITY WIDE PROJ-DEBT SERV	\$650.00
507 LAKE COMMISSION FUND	\$180.00
607 EDA----4 PLEX FUND	\$6.67
608 EDA----8 PLEX FUND	\$12.94
	<u>\$106,928.31</u>

Paid Chk# 000447E 8/8/2016 UNITED PRAIRIE BANK

E 609-46330-610 Interest	\$856.29	AUG MASON MANOR-INTEREST PAYMENT
G 609-22800 Notes Payable - Current	\$434.24	AUG MASON MANOR-PRINC PAYMENT
Total UNITED PRAIRIE BANK	\$1,290.53	

Paid Chk# 000448E 8/22/2016 SELECT ACCOUNT

E 101-43100-141 Admin Fees-HSA	\$3.80	HSA ADMIN FEES
E 101-41400-141 Admin Fees-HSA	\$4.22	HSA ADMIN FEES
E 101-42100-141 Admin Fees-HSA	\$8.44	HSA ADMIN FEES
E 211-45500-141 Admin Fees-HSA	\$2.11	HSA ADMIN FEES
E 101-45200-141 Admin Fees-HSA	\$1.27	HSA ADMIN FEES
E 101-46200-141 Admin Fees-HSA	\$1.26	HSA ADMIN FEES
E 205-46500-141 Admin Fees-HSA	\$2.11	HSA ADMIN FEES
Total SELECT ACCOUNT	\$23.21	

Paid Chk# 000449E 8/19/2016 UNITED PRAIRIE BANK

E 230-47001-430 Miscellaneous	\$4.00	HOMETOWN CAFÉ-NSF CHECK
Total UNITED PRAIRIE BANK	\$4.00	

Paid Chk# 000450E 9/1/2016 SELECT ACCOUNT

G 101-21710 Employee Flex Plan	\$175.00	EMPLOYEE FLEX CLAIM
Total SELECT ACCOUNT	\$175.00	

6

DRAFT
Mountain Lake City Council Meeting
Mountain Lake City Hall
Monday, August 15, 2016
6:30 p.m.

Members Present: Mike Nelson, Dana Kass, Darla Kruser, David Savage, Andrew Ysker

Members Absent: None

Staff Present: Wendy Meyer, Clerk/Administrator; Maryellen Suhrhoff, City Attorney, Muske, Muske, and Suhrhoff

Others Present: Doug Regehr; Dean Janzen

Call to Order

Mayor Nelson called the meeting to order at 6:30 p.m.

Agenda and Consent Agenda

Motion by Kass, seconded by Savage, to add 9e. MN Municipal Utility Association (MMUA) Safety Management Program Contract to the agenda. Motion carried unanimously. Motion by Savage, seconded by Ysker, to approve the consent agenda as presented and the agenda as amended. Motion carried unanimously.

Bills: Check #'s 9919059 - 9919104

Payroll #'s 62619 -- 62650

August 1 Council Minutes

July 11 Lake Commission Minutes

July 8 EDA Minutes

Resolution #20-16 Appointing Election Judges

Public

No one present addressed the council during this portion of the meeting.

Revision of Ordinance #3-14, Section 8.12 Regulation of Animals within City Limits

A request to amend the ordinance to permit chickens anywhere in the city was made at the council's August 1 meeting. Ordinances allowing chickens from the cities of New Ulm, Rushford, and Spring Valley were briefly discussed. The city's current ordinance was written by the Planning and Zoning Commission when they were directed to go so by the council in 2013. The commission held a number of special meetings. The ordinance was adopted in 2014. Dean Janzen spoke against changing the ordinance. He cited odor, noise and appearance concerns, and

felt the current ordinance is adequate. Reasons to revise the ordinance were also given. There was discussion on also allowing other farm animals. The number of properties illegally housing chickens was also discussed. Motion by Nelson to direct the Planning and Zoning Commission to review the possibility of allowing chickens in all areas of the city and consider revising the ordinance. There was no second.

Street Department, Seal Coating

Seal coating material requires two hours of drying time. Two hours had not elapsed when unexpected rain fell late Thursday afternoon August 4. Material entered the storm sewer system, travelled to the plunge pool in Lawcon Park and into the lake. MN Pollution Control Agency (MPCA) was notified. A hazmat cleaning company is cleaning up the material. A claim has been submitted to the League of MN Insurance Trust (LMCIT).

Second Reading, Ordinance #8-16, Amending Section 7.04 Cemetery Regulation

The ordinance was briefly reviewed. No action taken.

Second Reading, Ordinance #9-16, Establishing Section 9.15 Temporary Family Health Care Dwelling

The city attorney discussed several sections of the ordinance. No action taken.

2017 Budget

Island View Campground Rates

The current rates are: \$20/night, \$120/week, \$450/month, \$1,300/year. The rates and policies of neighboring campgrounds were reviewed. Motion by Savage, seconded by Kass, to increase the seasonal rate to \$1,600 and leave all other rates as they are. Motion carried unanimously.

Salaries and Per Diems

The mayor and council salaries of area cities were reviewed and discussed. It was noted that members of the Library Board, Planning and Zoning Commission, Police Commission, and Utility Commission, receive a stipend when they attend a meeting. The members of the Lake Commission, Tree Commission, and Economic Development Authority do not. Several cities compensate council members for day-long, out of town meetings. It was noted that those who were required to represent the City and Council at the Kuechle mediation in Minneapolis received no compensation for the long day. A stipend for an all day, out of town meeting would also encourage more attendance at League of MN Cities (LMC) meetings. Motion by Ysker, seconded by Kruser, directing the administrator to prepare an ordinance establishing a \$10 stipend for all board, commission and committee meetings, and a \$75 stipend for day-long out of town meetings. Motion carried unanimously. The ordinance will need to be read at three council meetings before it can be adopted. By state statute the ordinance cannot go into effect until January, 2017.

Office, Street Department, Street Light, Storm Sewer, Sidewalks, Paved Streets, Parks, Campground Cemetery, Economic Development Authority and Library Budgets Departments

The budgets of these departments were reviewed. It was noted that 2017 health insurance premiums will be increasing 7.5%. The labor contracts for the ten employees that are either members of the American Federation of State, County and Municipal Employees (AFSCME) and Law Enforcement Labor Services (LELS) expire at the end of the year. Until the new contracts are settled a 3% salary increase is being used in the budget. Budgets stayed mostly flat with the exception of salary and benefits lines which saw increases. Increasing legal fees and compost site salary were discussed. A salary line of \$2,500 plus benefits will be added to the Walking/Bike Trail budget so that a seasonal trail employee could be hired in 2017. It was agreed that there should be money in the budget for the outdoor skating rink, support of the public school swimming pool, and a highway sign. The seal coat/crack filling budget was increased by \$10,000 so that Replay, a soy based sealant sold by Bargaen Inc. can be applied to a city street. City-wide clean-up was raised to \$8,000.

Kuechle Settlement Payment

It was agreed that the payment should be made from the Public Facilities Authority (PFA) loan fund. Determination of the amounts to be repaid by the city and utility will be made after the August 25 Utility Commission meeting.

Mountain Lake Public School Pool Contribution

The city's contribution for the second quarter of 2016 is \$3,881.19.

CMPAS Annual Membership Meeting Invitation

The invitation for the October 4th meeting was reviewed.

Public Nuisance Update

The city attorney outlined the next steps in abating the nuisance at 1406 Third Avenue.

MN Municipal Utility Association Safety Contract

Motion by Ysker, seconded by Savage, to approve the contract for October 1, 2016 through September 30, 2017 at a cost of \$15,700. Motion carried unanimously.

Preparation for Union Negotiations

Motion by Kass, seconded by Ysker, to close the meeting at 8:56 PM and open the closed meeting pursuant to MN Statutes 179A.01 – 179A.25 to consider union contract negotiation strategies. Motion carried unanimously.

Motion by Kass, seconded by Ysker, to close the closed meeting and open the open meeting at 9:15 PM.

2017 Budget

The administrator was directed to adjust the 91% city/9% employee contribution to the health insurance premium to 80% city/20% employee in the draft budget.

Adjourn

The meeting was adjourned at 9:15 PM.

ATTEST:

Wendy Meyer, Clerk/Administrator

**Regular Meeting
Mt. Lake Utilities Commission
Thursday, July 28, 2016
7AM**

Members Present: Commissioners John Carrison, Mike Johnson, Todd Johnson, Mark Langland, Brett Lohrenz, David Savage, Council Liaison

Members Absent: None

Staff Present: Wendy Meyer, Clerk/Administrator; Lynda Cowell, Utilities Office Manager; Ron Melson, Electric Supt.; Kevin Krahn, Water and Wastewater Supt.; David Watkins, Water and Wastewater Worker

Others Present: None

Call to Order

The meeting was called to order at 7 AM.

Approval of Minutes and Bills

There were no additions to the agenda. Motion by M. Johnson, seconded by B. Lohrenz, to approve the July 14 Minutes and Check Numbers 16395 -16423. Motion carried.

Electric Department

Superintendent Melson updated the commission on the status of the Milk Specialties, Sub-station and engine emission control project.

Water/Wastewater Department

Superintendent Krahn told the commission that the ten aerators were sold to the City of Butterfield for \$600, a lift station pump needs repairs, and due to the heavy rains this year the ponds are full and the city will likely need to discharge outside the discharge windows.

Point Source Implementation Grant Application

The commission reviewed the application approved by the City Council at their July 18 meeting.

Kuechle vs. City of Mountain Lake

The agreement, including Exhibit B, and the press release were reviewed and discussed.

Capital Improvement Plan

The plan as approved by the City Council on July 18 was briefly reviewed.

Adjourn

The meeting was adjourned at 7:30AM.



CENTERPOINTCHURCH

August 23, 2016

Mountain Lake Mayor and City Council
930 3rd Ave
Drawer C
Mountain Lake, MN 56159

Subject: Temporary Road Closure

Dear Mayor and Councilmembers:

In preparation for our Building Dedication and Open House, we request permission to temporarily close 8th Street between 2nd Avenue and 3rd Avenue (as shown in attached photo) on Sunday, September 11, 2016 from 7:00am – 6:00pm.

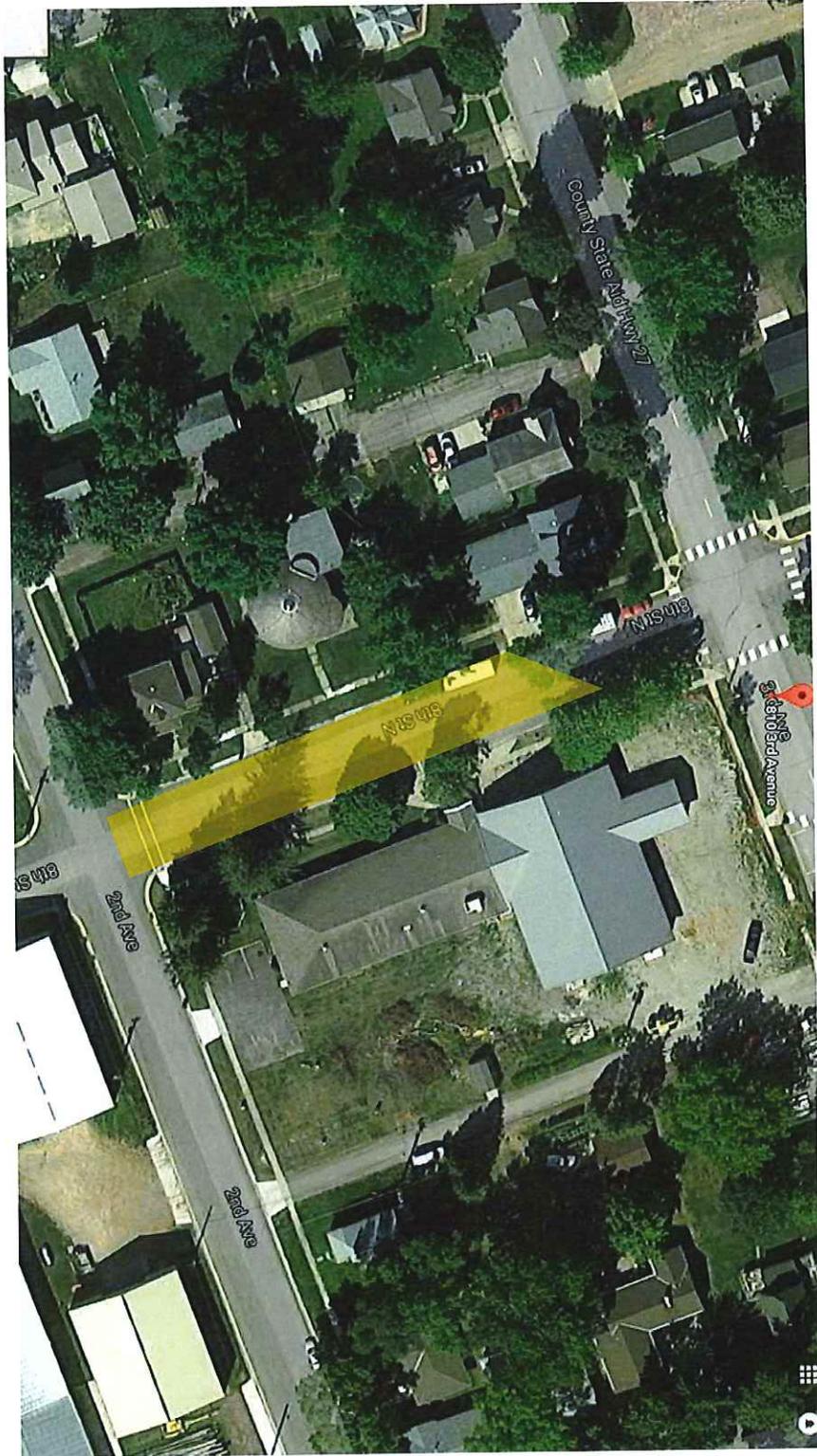
In order to accommodate our planned festivities, we need a significant hard-surfaced area for tables and chairs. In addition, we are providing inflatable activities (bounce house, obstacle course, slide and wrecking ball) free of charge to kids in the community since we were unable to do so during Kids Fest earlier this summer. Our rental company, Bounce Around Inflatables, does not want these units placed on gravel which prevents us from using our parking lot and we do not have adequate lawn space.

The only active driveway which would be impacted is 201 8th Street and we would work with the resident to provide any necessary access. Thank you for your consideration.

Sincerely,

Pastor David Savage
Center Point Church

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wendy, sept. 7th will be my last day
working.

Thanks, Levi Grams

CITY OF MOUNTAIN LAKE
Fire Dept Revenue Budget Worksheet

Account Descr	2016 YTD Budget	2016 YTD Amt	Balance	% of Budget	2017 Budget	UnderLine
FUND 221 FIRE DEPT FUND						
DEPT 42200 Fire Department						
R 221-42200-31000 General Property	\$37,534.80	\$18,767.40	\$18,767.40	50.00%	\$41,196.28	_____
R 221-42200-33100 Federal Grants a	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
R 221-42200-33400 State Grants and	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
R 221-42200-33401 Local Governme	\$34,912.00	\$17,456.00	\$17,456.00	50.00%	\$34,960.52	_____
R 221-42200-33416 Training /Vest R	\$0.00	\$400.00	-\$400.00	0.00%	\$0.00	_____
R 221-42200-33420 State Aid - Fire	\$14,000.00	\$1,000.00	\$13,000.00	7.14%	\$14,000.00	_____
R 221-42200-33620 Other County Gr	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
R 221-42200-34200 Public Safety Ch	\$12,000.00	\$4,791.40	\$7,208.60	39.93%	\$12,000.00	_____
R 221-42200-34210 Township Equip	\$20,825.00	\$13,485.00	\$7,340.00	64.75%	\$0.00	_____
R 221-42200-35250 Township Contra	\$18,445.00	\$15,655.00	\$2,790.00	84.87%	\$19,635.00	_____
R 221-42200-36200 Miscellaneous Re	\$0.00	\$250.00	-\$250.00	0.00%	\$0.00	_____
R 221-42200-36210 Interest Earnings	\$100.00	\$309.72	-\$209.72	309.72%	\$100.00	_____
R 221-42200-36230 Donations & Con	\$0.00	\$100.00	-\$100.00	0.00%	\$0.00	_____
R 221-42200-39103 Sale of Lands/Eq	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
R 221-42200-39203 Transfer from Ot	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
R 221-42200-39300 Proceeds-Gen Lo	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
R 221-42200-39310 Proceeds-Gen O	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
DEPT 42200 Fire Department	<u>\$137,816.80</u>	<u>\$72,214.52</u>	<u>\$65,602.28</u>		<u>\$121,891.80</u>	
FUND 221 FIRE DEPT FUND	<u>\$137,816.80</u>	<u>\$72,214.52</u>	<u>\$65,602.28</u>		<u>\$121,891.80</u>	
	<u>\$137,816.80</u>	<u>\$72,214.52</u>	<u>\$65,602.28</u>		<u>\$121,891.80</u>	

**CITY OF MOUNTAIN LAKE
Fire Dept Budget Worksheet**

Act Code	Last Dim Descr	2016 YTD Budget	2016 YTD Amt	Balance	2016 % of Budget	2017 Budget	UnderLine
221-42200-100	Wages and Salaries	\$26,657.00	\$0.00	\$26,657.00	0.00%	\$26,657.00	_____
221-42200-122	FICA	\$2,039.00	\$0.00	\$2,039.00	0.00%	\$2,039.00	_____
221-42200-124	Fire Pension Contributions	\$14,000.00	\$1,000.00	\$13,000.00	7.14%	\$14,000.00	_____
221-42200-151	Worker s Comp Ins Prem	\$5,100.00	\$5,767.60	-\$667.60	113.09%	\$6,000.00	_____
221-42200-210	Operating Supplies	\$1,000.00	\$186.96	\$813.04	18.70%	\$1,000.00	_____
221-42200-212	Motor Fuels	\$2,000.00	\$466.01	\$1,533.99	23.30%	\$2,000.00	_____
221-42200-304	Legal Fees	\$0.00	\$137.50	-\$137.50	0.00%	\$0.00	_____
221-42200-308	Training & Instruction	\$6,500.00	\$940.00	\$5,560.00	14.46%	\$6,500.00	_____
221-42200-321	Telephone	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
221-42200-323	Radio/Pager maintenance	\$2,784.00	\$252.00	\$2,532.00	9.05%	\$2,784.00	_____
221-42200-362	Property Ins	\$600.00	\$567.78	\$32.22	94.63%	\$600.00	_____
221-42200-363	Automotive Ins	\$4,200.00	\$2,519.63	\$1,680.37	59.99%	\$4,200.00	_____
221-42200-380	Elec,Water,Sewer	\$2,500.00	\$1,121.63	\$1,378.37	44.87%	\$2,500.00	_____
221-42200-383	Gas Utilities	\$3,000.00	\$1,059.43	\$1,940.57	35.31%	\$3,000.00	_____
221-42200-386	Other Utilities	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
221-42200-401	Repairs/Maint Buildings	\$2,500.00	\$350.71	\$2,149.29	14.03%	\$2,500.00	_____
221-42200-404	Repairs/Maint Machinery/E	\$6,000.00	\$8,550.19	-\$2,550.19	142.50%	\$10,000.00	_____
221-42200-430	Miscellaneous	\$4,000.00	\$2,696.65	\$1,303.35	67.42%	\$4,000.00	_____
221-42200-433	Dues and Subscriptions	\$750.00	\$388.00	\$362.00	51.73%	\$750.00	_____
221-42200-500	Capital Outlay	\$18,172.80	\$0.00	\$18,172.80	0.00%	\$18,172.80	_____
221-42200-505	Township Equip Reserve	\$20,825.00	\$0.00	\$20,825.00	0.00%	\$0.00	_____
221-42200-520	Buildings and Structures	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
221-42200-530	Improvements Other Than	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
221-42200-550	Motor Vehicles	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
221-42200-560	Furniture and Fixtures	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
221-42200-580	Other Equipment	\$8,000.00	\$821.51	\$7,178.49	10.27%	\$8,000.00	_____
221-42200-602	Other Long-Term Oblig Prin	\$6,145.36	\$0.00	\$6,145.36	0.00%	\$6,391.17	_____
221-42200-610	Interest	\$1,043.64	\$0.00	\$1,043.64	0.00%	\$797.83	_____
221-42200-700	Transfers	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	_____
		\$137,816.80	\$26,825.60	\$110,991.20	19.46%	\$121,891.80	

↙ after this was printed
a bill for \$7,875 was received
from Miller-Sellner for
rescue vehicle repairs

CITY OF MOUNTAIN LAKE

GL Yearly

Current Period: September 2016

FUND 221	FIRE DEPT FUND	September 2016					Balance
		Begin Yr	MTD Debits	MTD Credits	YTD Debits	YTD Credits	
Asset							
	G 221-10100 Cash	\$117,522.26	\$0.00	\$0.00	\$72,621.62	\$27,443.61	\$162,700.27
	G 221-10152 Savings - Special	\$130,075.18	\$0.00	\$0.00	\$210.91	\$0.00	\$130,286.09
	G 221-10400 Investments at Cost	\$17,128.61	\$0.00	\$0.00	\$0.00	\$0.00	\$17,128.61
	G 221-10450 Interest Receivable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	G 221-10700 Taxes Receivable-Delinquent	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	G 221-11500 Accounts Receivable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	G 221-13200 Due From Other Government	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	G 221-15500 Prepaid Items	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total Asset	\$264,726.05	\$0.00	\$0.00	\$72,832.53	\$27,443.61	\$310,114.97
Liability							
	G 221-20200 Accounts Payable	(\$482.97)	\$0.00	\$0.00	\$0.00	\$0.00	(\$482.97)
	G 221-20801 Rural Dvlp Loan - Fire Truck	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	G 221-21703 FICA Tax Withholding	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	G 221-22200 Deferred Revenues	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total Liability	(\$482.97)	\$0.00	\$0.00	\$0.00	\$0.00	(\$482.97)
Equity							
	G 221-24120 Fund Balance Reserved-Fire	(\$17,129.44)	\$0.00	\$0.00	\$0.00	\$0.00	(\$17,129.44)
	G 221-25300 Unreserved Fund Balance	(\$247,113.64)	\$0.00	\$0.00	\$27,443.61	\$72,832.53	(\$292,502.56)
	Total Equity	(\$264,243.08)	\$0.00	\$0.00	\$27,443.61	\$72,832.53	(\$309,632.00)
Total 221 FIRE DEPT FUND		\$0.00	\$0.00	\$0.00	\$100,276.14	\$100,276.14	\$0.00

#60,500 from
charitable gambling
is included in
this amount

DRAFT

Ordinance No. 8-16

City of Mountain Lake, Minnesota

**An Ordinance Amending Chapter 7
Section 7.04 Cemetery Regulation
Subdivision 10 Monuments and Markers**

THE CITY COUNCIL OF THE CITY OF MOUNTAIN LAKE, COTTONWOOD COUNTY, MINNESOTA ORDAINS that Section 7.04, Subdivision 10 , Paragraph B, which reads:

No monument or marker shall be placed on either single or double lot before a burial has occurred.

is hereby repealed in its entirety.

Adopted by the Council this 6th day of September 2016.

Attest:

Mayor

Clerk

Published in the Mountain Lake/Butterfield Observer/Advocate on _____ 2016.

SECTION 2.13. SALARIES OF MAYOR, COUNCIL MEMBERS, AND MEMBERS OF BOARDS AND COMMISSIONS.

Subdivision 1.

The monthly salary of the Mayor shall be \$²⁹⁰240. The monthly salary of each Council Member shall be \$120. ¹⁷⁰ see ord # 3-12

Subdivision 2.

The monthly salary of Mayor and each Council Member shall be established by Ordinance prior to the regular city election. No change in salary shall take effect until January 1 after the next succeeding regular city election.

Subdivision 3.

Compensation for attending special meetings shall be \$25.

Subdivision 4.

Salaries for members of commission and board members shall be established by resolution of the Council.

Subdivision 5.

No Ad Hoc Committee will be paid.

Subdivision 6.

Type of meeting to be paid:

- A. Regular and special meetings of Commissions and Boards, whether or not a quorum is present.
- B. Meetings with other groups when approved by the Council.
- C. Meetings to give reports to the Council. The Chair of the Commission or Board or other designee.
- D. Liaison of the Council will be paid for regular and special meetings as if they are commission or board members.
- E. Each Council Member, Commission or Member shall keep their own records of meetings, expenses, and submit a bill on a semi-annual basis for each year for approval and payment.
- F. Actual out-of-pocket expenses for mileage, meals, and lodging shall be submitted for approval and payment.

DRAFT

RESOLUTION #21-16

CITY OF MOUNTAIN LAKE, MINNESOTA

***A RESOLUTION ESTABLISHING SALARIES FOR CITY OF MOUNTAIN LAKE
COMMISSION AND BOARD MEMBERS***

WHEREAS, Subdivision #4 of Section 2.13 of Mountain Lake City Code ‘Salary of Mayor, Council Members and Members of Boards and Commissions’ authorizes the Mountain Lake City Council to establish salaries for commission and board members, and

WHEREAS, currently not all City of Mountain Lake Boards and Commissions have established salaries for their members; and

WHEREAS, the Mountain Lake City Council wishes to establish salaries for all members of City of Mountain Lake Boards and Commissions.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the City Council of the City of Mountain Lake establishes a salary of \$10 per meeting for those meetings that meet the requirements as found in Subdivision 6 of Section 2.13 for all Mountain Lake boards and commissions with the exception of the Mountain Lake Utility Commission.

Adopted this 6th day of September, 2016.

Mike Nelson, Mayor

ATTEST:

Wendy Meyer, Adm. / Clerk

CITY OF MOUNTAIN LAKE, MN

ORDINANCE #10-16

AN ORDINANCE AMENDING MOUNTAIN LAKE CITY CODE

CHAPTER 2 ADMINISTRATION AND GENERAL GOVERNMENT

**Section 2.13 Salaries of Mayor, Council Members,
and Members of Boards and Commissions**

Be it ordained by the City Council of the City of Mountain Lake that Subdivision 3 of Section 8.17 be amended with that addition of Paragraph B, which reads as follows:

B. Compensation for attending day-long out-of-town meetings shall be \$75.

Adopted by the Mountain Lake City Council this 6th day of September, 2016.

Mike Nelson, Mayor

ATTEST:

Wendy Meyer, Clerk/Administrator

Published in the Mt. Lake Observer/Butterfield Advocate on _____, 2016.

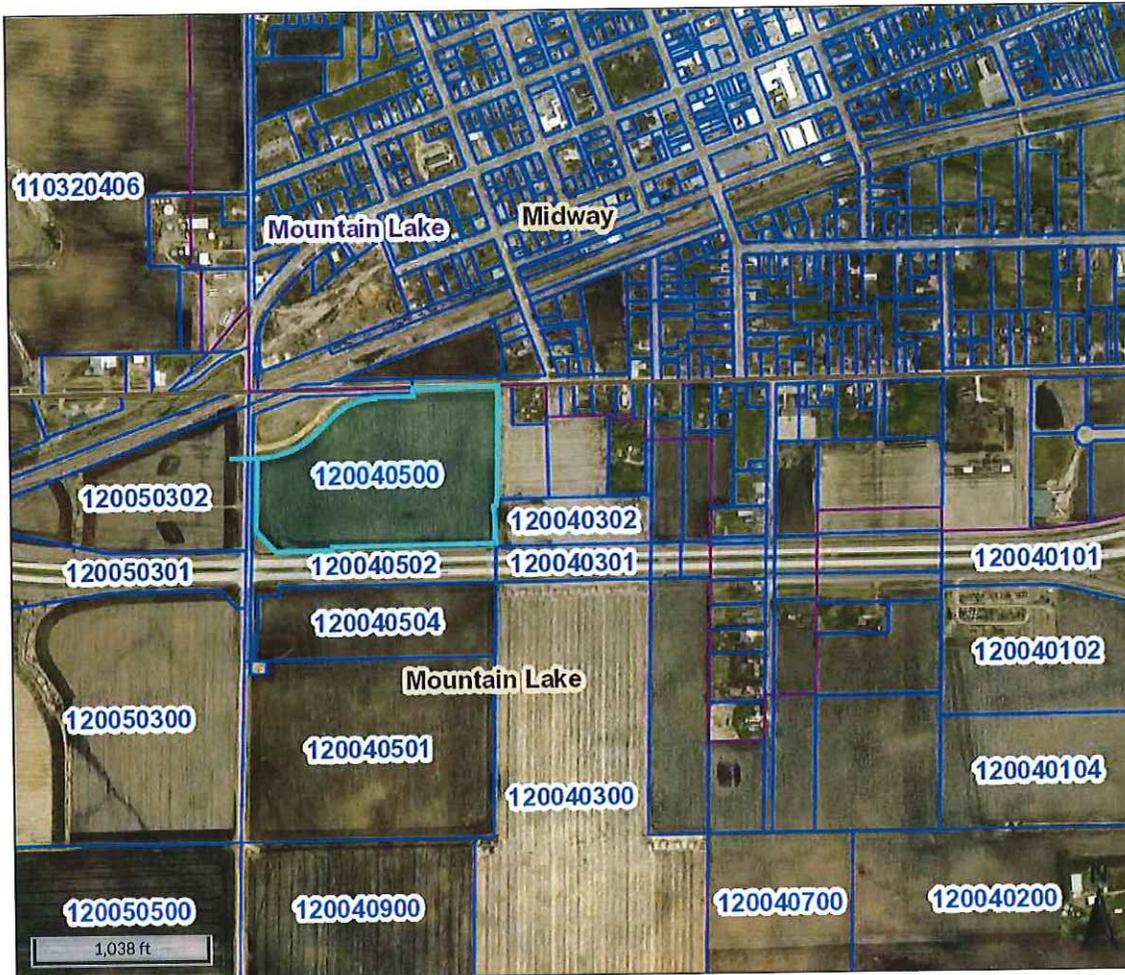
21

RE: Pankratz Property Purchase for New Industrial Park

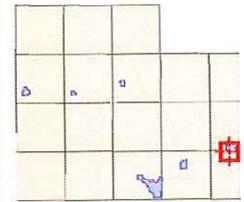
The Mt. Lake EDA has been in negotiations with the owners of a 24 acre parcel just southwest of Mt. Lake and has reached an agreement of \$14,250/acre.

The attached e-mails do a good job of summarizing the status of the project.

Once the property is purchased it will need to be annexed.



Overview



Legend

-  Corporate Limits
-  Political Township
-  Parcels

Parcel ID	120040500	Alternate ID	n/a	Owner Address	PANKRATZ/MABEL S/TRUSTEE
Sec/Twp/Rng	4-105-34	Class	AGRICULTURE		MABEL S PANKRATZ TRUST
Property Address		Acreeage	26.1		C/O STEVEN J PANKRATZ
					110 E CENTER ST #1659 MADISON SD 57042

District n/a
 Brief Tax Description TRACT IN W PART NW1/4 N OF PARCEL #10 DOT PLAT 17-6 26.10
 (Note: Not to be used on legal documents)

Date created: 9/1/2016
 Last Data Uploaded: 8/27/2016 8:36:04 PM

 Developed by
 The Schneider Corporation

23

Wendy Meyer

Subject: Mt Lake EDA

From: Tammy Omdal [<mailto:tomdal@northlandsecurities.com>]
Sent: Wednesday, August 24, 2016 4:04 PM
To: Rob Anderson (randerson@mountainlakemn.com)
Cc: mippel@briggs.com
Subject: Mt Lake EDA

Here is the follow-up you requested.

We have discussed in general terms the statutory requirements for the EDA to issue its bond or other obligations (i.e., note for bank loan) to acquire land for the purpose of redevelopment – expansion of industrial land within the City.

The powers of the EDA are provided in Minnesota Statutes 469. While the EDA (the “Authority”) may issue bonds for any of its corporate purposes and the bonds may be the type the authority determines, the Statutes also require certain actions by the EDA. This includes certain actions for the EDA to secure or commit revenue to the bonds.

It is my understanding that the EDA as part of its consideration to issue an obligation for land acquisition, plans to request the City increase the “transfer” of revenue the City provides to the EDA for its operations. The source of this transfer needs to be better understood to understand the authority of the EDA to commit revenue to the bonds. The City has the authority to levy an “EDA Levy”. An “HRA Levy” is technically raised by an EDA (using its HRA powers), albeit approved by the City Council. An “HRA Levy” can be committed (long-term) to an obligation whereas the “EDA Levy” is an annual commitment only.

I have suggested that we schedule a call with Mary Ippel (bond counsel to the City and EDA) to discuss the authority for the EDA to issue the obligation for land acquisition.

Tammy Omdal
Senior Vice President, Manager of Northland Strategies



24

Wendy Meyer

From: Tammy Omdal <tomdal@northlandsecurities.com>
Sent: Monday, August 29, 2016 2:30 PM
To: Rob Anderson (randerson@mountainlakemn.com); Wendy Meyer (wmeyer@mountainlakemn.com); mippel@briggs.com
Subject: Tax levies

Rob and Wendy,

On the conference call today, we spoke about the maximum levies allowable for the HRA levy, EDA levy, and abatement levy. Below is an estimate of the maximum levies under each of these authorities based on Pay 2015, as an example. If you have questions, please let me know.

SUMMARY FOR MOUNTAIN LAKE

Pay 2015 Net Tax Capacity (NTC)	\$562,576	
Pay 2015 Estimated Market Value (EMV)	\$59,937,800	
Estimated maximum abatement levy ¹	\$200,000	10% of NTC or \$200,000, whichever is greater
Estimated maximum HRA levy ²	\$11,088	0.0185% of EMV
Estimated maximum EDA levy ³	\$10,867	0.01813% of EMV

Notes:

/1 Pursuant to MS 469.1813, Subd. 8

/2 Pursuant to MS 469.033, Subd. 6

/3 Pursuant to MS 469.107, Subd. 1

Tammy Omdal

Senior Vice President, Manager of Northland Strategies



Direct (612) 851-4964 | TF (800) 851-2920 | Cell (612) 202-8892

Mail 45 S. 7th St., Suite 2000 | Minneapolis, MN 55402

Email tomdal@northlandsecurities.com

Web NorthlandSecurities.com

Please consider the environment before printing this email.

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Wendy Meyer

From: Rob Anderson <randerson@mountainlakemn.com>
Sent: Wednesday, August 31, 2016 9:38 AM
To: Mark Hanson; 'Vern, Peterson Drug'; 'Mike Nelson'; 'Darla'; 'Jerry Haberman'; Brian Harder; 'Steve Syverson'; 'Brad Hanson'; Clara Johnson; 'Wendy Meyer'; 'Marva Ott'
Subject: Pankratz Property/Financing Update

Good Morning,

I wanted to give you an update on the status of Pankratz land acquisition by the EDA. This week Wendy and I have been discussing with Northland Securities and Briggs & Morgan (city's bond counsel) the process that we must follow for land acquisition and also discussing with United Prairie Bank the best method of financing/their loan requirements.

We have 2 options to finance the land acquisition.

The first option is for the EDA to issue a revenue note. For this option the loan is secured by a mortgage on the land being purchased and lot sales proceeds are used to pay off the note along with rent and an HRA levy. The bank cannot say that the city is obligated to pay the note back. The city can levy for both EDA and the Housing & Redevelopment Authority (HRA) in the amount of approximately \$10,000 each. The city already levies for the EDA, but not the HRA. As lots are sold the bank releases that lot from the mortgage so the land can be conveyed to the purchaser. As stated previously, with a revenue note the city is not obligated to secure or pay the note; however, the city can elect to pay the note on an annual basis. We do something similar to this with our Mason Manor housing bond.

The second option is for the bank to purchase the land themselves and lease the land to the EDA. With this option the city would elect on an annual basis to renew the lease. As lots are sold the bank releases that lot from the mortgage so the land can be conveyed to the purchaser. Lot sales are used to pay down the lease. The benefit to the bank with this option is that the EDA will soon install infrastructure to complete the development. The bank would then own improved commercial property. The risk to the bank is if the city elects to not renew the lease. Mary Ippel from Briggs & Morgan said that this has happened only a hand full of times that she has been involved in these deals over a 30 year period. This is easiest option from an administrative standpoint.

The bank, Wendy and I have all agreed that the first option is the best option. Jeremy Janssen at United Prairie Bank is working on a final financing proposal to the EDA for a revenue note. Jeremy told me that he would have a loan offer to me by early next week. As of today, Jeremy is still unsure if the bank is willing to finance 100% of the land acquisition. With both options above, the financing is taxable because the IRS says we are going to sell the lots for a profit (presumably). This means our interest rate will likely be a bit higher – but, hopefully will still be less than 4%.

We have been working on the 2017 city budget. At this time \$40,000 is being placed in the budget and on the levy: \$10,000 for HRA levy, \$20,000 for 2017 loan payment, and \$10,000 for annexation costs.

Late yesterday afternoon I received the purchase agreement from Steve Pankratz. Mary Ippel advised that the Purchase Agreement not be signed until we get a loan commitment from the bank in writing. She also advised that we allow 60 days to close on the land purchase. The Purchase Agreement did not allow for the 60 days so Steve Pankratz will have the date changed to November 1st and return to me for approval and signature. You will be able to review and approve the Purchase Agreement before it is signed. The EDA will need to have a public hearing, adopt a development plan and pass a resolution before we can close on the land purchase. We will also need city council approval to borrow funds.

If you have any questions, please give me a call.

RE: Kuechle Settlement

From the August 28 Utility Commission Minutes

Kuechle Underground Inc. v. City of Mountain Lake Settlement

Discussion was held on where the funds to pay the city's portion of the \$62,500 settlement should be taken. Motion by Lohrenz, seconded by T. Johnson, to offer a 50%/50% Utility/ City split to the City Council for their consideration. Motion carried unanimously.

RE: Use of Community Center for Dance Lessons

The City has had a request to rent the Community Center two or three evenings a week from 5 to 7:30 PM for dance lessons during the school year.

This is not a Community Education/School sponsored activity. The school isn't an option because its floors are mostly hard and could be damaged by tap shoes.

This is the Community Center rental policy. All groups are responsible for clean-up following their meetings.

Rent is \$125/event with a \$125 damage deposit

The following are allowed to use the rooms for free

- 4-H (two local clubs)
- FFA
- Legion
- Community Educations (Defensive Driving, Gun Safety, Snowmobile Safety, etc.)
- Bloodmobile
- Heritage House Board
- Public School affiliated groups
- Lions Club

RE: August 4 Sealcoat Incident

The League of Minnesota Cities Insurance Trust, the city's insurers, notified the City on August 23 that the City has coverage for the incident.

The clean-up is mostly complete. The material collected needs to be disposed of at an approved landfill, and the collection booms at the plunge pool outlet are still in place and being monitored until late September when they should be removed.

Utility Commissioners, City Council Representatives,
All Municipal Staff and Legal Counsel

The Staff at Central Municipal Power
Cordially Invites You To The
2016 CMPAS Annual Membership Meeting and Dinner

Date: Tuesday, October 4th | Time: 3 o'clock in the afternoon

Venue: Courtyard by Marriott ~ Mankato, MN

More Information To Follow



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CENTERPOINT CHURCH
OF THE ASSEMBLIES OF GOD

Dedication Service & Open House

Sunday, September 11, 2016

810 Third Avenue

Mountain Lake, Minnesota 56159

You are invited to join us as we celebrate what the Lord is doing, dedicate our building to His work, and welcome the community into our new home.

Building Dedication Service

10:00am-12:00pm

Dedication Luncheon

12:30pm-1:30pm

Open House

2:00pm-5:00pm

R. S. V. P. appreciated at
www.centerpointml.org