

**Mt. Lake City Council**  
**Mt. Lake City Hall**  
**Monday, January 6, 2014**  
**6:30 p.m.**

**AGENDA**

1. Meeting called to order by Mayor, Dean Janzen  
\* Further information on agenda item is attached
2. Approval of Agenda and Consent Agenda
  - a. Bills: Check #'s 9915569- 9915628; 332E, 333E\*(1-7)  
Payroll: Check #'s 60867 - 60900
  - b. Approval of Dec. 17 Council Minutes\*(8-10)
  - c. Approve hiring of Trey Hopwood, Jason Sumner, and Andrew Windschitl – Mt. Lake Fire Dept.
  - d. Approve Resolution #1-14 Accepting \$18,000 gift from Mt. Lake Fire Relief Association\*(11)
3. Public – A total of ten (10) minutes is allotted for individuals to briefly discuss a topic of concern with the council.
4. Mt. Power Expansion Project Public Hearing
  - a. Review Modified Redevelopment Plan for Modified Redevelopment Project #1 and Tax Increment Financing Plan for TIF District #1-6\*(12-34)
  - b. Adopt Resolution #2-14\*(35-40)
5. 2012-14 Street and Utility Project
  - a. Pay Estimate #13\*(41-46)
6. 2014
  - a. Designations and Appointments\*(47-49)
  - b. Review and Adoption of Investment Policy\*(50-54)
  - c. Ordinance #1-14, Establishing Rates, Fees and Administrative Fines\*(55-62)
  - d. Approve 2014 Salaries and Wages
7. Administrator
  - a. FYI – Seniority List\*(63)
8. Adjourn

**\*Check Detail Register©**

*January 6, 2014*  
*CKs*

*CK# 995569 -*

*9915628*

*332E + 333E*

December 2013

Check Amt Invoice Comment

Check #	Date	Description	Amount	Invoice #	Comments
<b>10100 United Prairie</b>					
<b>Paid Chk# 9915569 12/17/2013 COMMISSIONER OF REVENUE</b>					
G 101-21702		State Withholding	\$174.54		
<b>Total COMMISSIONER OF REVENUE</b>			<b>\$174.54</b>		
<b>Paid Chk# 9915570 12/17/2013 INTERNAL REVENUE SERVICE</b>					
G 101-21701		Federal Withholding	\$277.00		
G 101-21703		FICA Tax Withholding	\$1,090.22		
<b>Total INTERNAL REVENUE SERVICE</b>			<b>\$1,367.22</b>		
<b>Paid Chk# 9915571 12/17/2013 MUNICIPAL UTILITIES</b>					
R 101-00000-31000		General Property Taxes	\$181.21		SAM SINGOLALY-SEWER
<b>Total MUNICIPAL UTILITIES</b>			<b>\$181.21</b>		
<b>Paid Chk# 9915572 12/17/2013 MUNICIPAL UTILITIES</b>					
R 101-00000-31000		General Property Taxes	\$252.21		TIM HERRIG-PRIVATE LINE SEWER
<b>Total MUNICIPAL UTILITIES</b>			<b>\$252.21</b>		
<b>Paid Chk# 9915573 12/17/2013 MUNICIPAL UTILITIES</b>					
R 101-00000-31000		General Property Taxes	\$1,506.35		SOUTHIVONG, GREENHOUSE, KING-SEWER
<b>Total MUNICIPAL UTILITIES</b>			<b>\$1,506.35</b>		
<b>Paid Chk# 015575 12/17/2013 BORDER STATES ELECTRIC</b>					
E 101-41400-401		Repairs/Maint Buildings	\$105.43	906630435	BULBS FOR CITY HALL
<b>Total BORDER STATES ELECTRIC</b>			<b>\$105.43</b>		
<b>Paid Chk# 015576 12/17/2013 CASEYS-CREDIT CARD DEPARTMENT</b>					
E 101-45200-212		Motor Fuels	\$132.10		PARKS GAS
E 101-43100-212		Motor Fuels	\$211.54		ST DEPT GAS
E 101-00000-430		Miscellaneous	\$163.22		UT GAS-BILLED THEM
E 205-46500-430		Miscellaneous	\$40.58		11/25/13 EDA LUNCH
<b>Total CASEYS-CREDIT CARD DEPARTMENT</b>			<b>\$547.44</b>		
<b>Paid Chk# 015577 12/17/2013 DARON J. FRIESEN</b>					
G 101-21710		Employee Flex Plan	\$33.66		FLEX PLAN
<b>Total DARON J. FRIESEN</b>			<b>\$33.66</b>		
<b>Paid Chk# 015578 12/17/2013 EXPERT T BILLING</b>					
E 231-42154-300		Professional Svcs	\$450.00	1079	NOV AMB BILLING
<b>Total EXPERT T BILLING</b>			<b>\$450.00</b>		
<b>Paid Chk# 015579 12/17/2013 MUNICIPAL UTILITIES</b>					
E 101-00000-361		General Liability Ins	\$878.47		SEWER 2013 PROP/CAS REFUND
E 101-00000-361		General Liability Ins	\$4,099.50		ELEC 2013 PROP/CAS REFUND
E 101-00000-361		General Liability Ins	\$878.47		WATER 2013 PROP/CAS REFUND
<b>Total MUNICIPAL UTILITIES</b>			<b>\$5,856.44</b>		
<b>Paid Chk# 015580 12/26/2013 AFLAC</b>					
G 101-21713		AFLAC	\$182.86		
<b>Total AFLAC</b>			<b>\$182.86</b>		
<b>Paid Chk# 015581 12/26/2013 AFSCME COUNCIL 65</b>					
G 101-21707		Union Dues	\$146.14		
<b>Total AFSCME COUNCIL 65</b>			<b>\$146.14</b>		
<b>Paid Chk# 015582 12/26/2013 COMMISSIONER OF REVENUE</b>					
G 101-21702		State Withholding	\$761.02		
<b>Total COMMISSIONER OF REVENUE</b>			<b>\$761.02</b>		
<b>Paid Chk# 015583 12/26/2013 GISLASON &amp; HUNTER</b>					
G 101-21712		Garnishments	\$323.24		

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Total GISLASON & HUNTER		\$323.24	
Paid Chk# 015584	12/26/2013	INTERNAL REVENUE SERVICE	
G 101-21703	FICA Tax Withholding	\$2,318.87	
G 101-21701	Federal Withholding	\$1,604.16	
Total INTERNAL REVENUE SERVICE		\$3,923.03	
Paid Chk# 015585	12/26/2013	PERA	
G 101-21704	PERA	\$3,560.84	
Total PERA		\$3,560.84	
Paid Chk# 015586	12/26/2013	SW/WC SERVICE COOPERATIVES	
G 101-21708	Employee Paid Health Insurance	\$960.00	
Total SW/WC SERVICE COOPERATIVES		\$960.00	
Paid Chk# 015587	12/26/2013	VALIC	
G 101-21705	VALIC	\$909.23	
Total VALIC		\$909.23	
Paid Chk# 9915588	12/30/2013	MUNICIPAL UTILITIES	
R 101-00000-33408	PERA Rate Increase Aid	\$460.50	2ND HALF PERA
Total MUNICIPAL UTILITIES		\$460.50	
Paid Chk# 9915589	12/30/2013	AMBULANCE FUND	
E 231-42154-430	Miscellaneous	\$13.57	12/18/13 FOOD ON AMB RUN
Total AMBULANCE FUND		\$13.57	
Paid Chk# 9915590	12/30/2013	HIGLEY FORD	
E 101-42100-406	Vehicle Maint/Gen Repairs	\$3.43	TAX ON INV 61024
Total HIGLEY FORD		\$3.43	
Paid Chk# 9915591	12/30/2013	MUNICIPAL UTILITIES	
E 205-46500-200	Office Supplies	\$45.92	EDA POSTAGE 9-28-13 TO 12-27-13
E 101-42100-200	Office Supplies	\$1.58	PD POSTAGE 9-28-13 TO 12-27-13
E 101-41400-200	Office Supplies	\$222.92	CITY POSTAGE 9-28-13 TO 12-27-13
E 507-46103-322	Postage	\$17.48	LAKE COMM POSTAGE 9-28-13 TO 12-27-13
Total MUNICIPAL UTILITIES		\$287.90	
Paid Chk# 9915592	12/31/2013	FRONTIER	
E 101-42100-321	Telephone	\$224.34	POLICE DEPT PHONE-427-3403
E 101-43100-321	Telephone	\$58.11	STREET DEPT PHONE-427-2997
E 101-45186-321	Telephone	\$47.15	SR CTR PHONE-427-2151
E 205-46500-321	Telephone	\$37.50	EDA PORTION OF DSL & 427-2999
E 205-46500-321	Telephone	\$5.81	CHAMBER 800#
E 101-00000-430	Miscellaneous	\$112.60	UT-PHONE
E 101-41400-321	Telephone	\$221.94	CITY HALL PHONE-427-2999
Total FRONTIER		\$707.45	
Paid Chk# 9915593	12/31/2013	MUNICIPAL UTILITIES	
E 101-43160-381	Electric Utilities	\$3,688.51	NOV STREET LIGHTING
Total MUNICIPAL UTILITIES		\$3,688.51	
Paid Chk# 9915594	12/31/2013	INDOFF INCORPORATED	
E 101-41400-200	Office Supplies	\$182.69	2371009 RECEIPT BOOKS

## \*Check Detail Register©

December 2013

			Check Amt	Invoice	Comment
E 101-41400-200	Office Supplies		\$21.15	2375416	POST IT NOTES
E 101-41400-200	Office Supplies		\$14.96	2376810	1 BOX PLAIN WINDOW ENVELOPES
E 101-41400-200	Office Supplies		\$4.80	2378005	RUBBER BANDS
E 101-41400-200	Office Supplies		\$36.31	2385090	PAPER CLIPS,CORRECTION TAPE
E 101-41400-200	Office Supplies		\$80.33	2388175	WALL CALENDARS,ADDRESS LABELS
	<b>Total INDOFF INCORPORATED</b>		<b>\$340.24</b>		
<b>Paid Chk# 9915595 12/31/2013 NEW STAR SALES &amp; SERVICE</b>					
E 101-42100-200	Office Supplies		\$267.19	41337	MAINT CONTRACT-POLICE COPIER SAVIN MP301SPF
	<b>Total NEW STAR SALES &amp; SERVICE</b>		<b>\$267.19</b>		
<b>Paid Chk# 9915596 12/31/2013 ALPHA WIRELESS COMMUNICATIONS</b>					
E 221-42200-404	Repairs/Maint Machinery/Equip		\$56.11	667374	PAGER CHARGER FOR FIRE DEPT
	<b>otal ALPHA WIRELESS COMMUNICATIONS</b>		<b>\$56.11</b>		
<b>Paid Chk# 9915597 12/31/2013 AMAZON-GE MONEY BANK</b>					
E 211-45500-590	Capital Outlay Books		\$446.04		LIBRARY BOOKS
E 211-45500-592	A.V. Materials		\$107.06		LIBRARY AV
	<b>Total AMAZON-GE MONEY BANK</b>		<b>\$553.10</b>		
<b>Paid Chk# 9915598 12/31/2013 AMERIPRIDE</b>					
E 101-41400-401	Repairs/Maint Buildings		\$21.58	2800334721	MATS FOR CITY HALL
E 101-43100-215	Shop Supplies		\$23.37	2800334721	TOWELS FOR ST DEPT
	<b>Total AMERIPRIDE</b>		<b>\$44.95</b>		
<b>Paid Chk# 9915599 12/31/2013 CAROL LEHMAN</b>					
E 211-45500-331	Travel Expenses		\$383.60		MILEAGE TO MEETINGS
	<b>Total CAROL LEHMAN</b>		<b>\$383.60</b>		
<b>Paid Chk# 9915600 12/31/2013 DEMCO, INC</b>					
E 211-45500-200	Office Supplies		\$93.10		LIBRARY SUPPLIES
	<b>Total DEMCO, INC</b>		<b>\$93.10</b>		
<b>Paid Chk# 9915601 12/31/2013 EDWARD F. HEIBERGER</b>					
E 211-45500-590	Capital Outlay Books		\$23.98		LIBRARY BOOKS
	<b>Total EDWARD F. HEIBERGER</b>		<b>\$23.98</b>		
<b>Paid Chk# 9915602 12/31/2013 FRONTIER</b>					
E 211-45500-321	Telephone		\$58.04		LIBRARY PHONE 507- 427-2506
	<b>Total FRONTIER</b>		<b>\$58.04</b>		
<b>Paid Chk# 9915603 12/31/2013 INDOFF INCORPORATED</b>					
E 211-45500-200	Office Supplies		\$22.18		LIBRARY SUPPLIES
	<b>Total INDOFF INCORPORATED</b>		<b>\$22.18</b>		
<b>Paid Chk# 9915604 12/31/2013 JIM PETERSON</b>					
E 507-46103-220	Repair/Maint Supply		\$42.74	12/14/2013	CUTTER FOR LAKE COMM ICE AUGER
	<b>Total JIM PETERSON</b>		<b>\$42.74</b>		
<b>Paid Chk# 9915605 12/31/2013 LAKER ELECTRIC</b>					
E 101-41400-401	Repairs/Maint Buildings		\$22.67	3788	BALLAST-CITY HALL LIGHTS
	<b>Total LAKER ELECTRIC</b>		<b>\$22.67</b>		
<b>Paid Chk# 9915606 12/31/2013 LEAGUE OF MN CITIES-FINANCE</b>					
E 101-41400-433	Dues and Subscriptions		\$2,095.00	186983	2013 DUES
	<b>Total LEAGUE OF MN CITIES-FINANCE</b>		<b>\$2,095.00</b>		

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**\*Check Detail Register©**

December 2013

Check Amt Invoice Comment

Paid Chk#	Date	Vendor	Check Amt	Invoice	Comment
<b>Miller Sellner Equipment</b>					
Paid Chk# 9915607	12/31/2013	MILLER SELLNER EQUIPMENT			
E 221-42200-404		Repairs/Maint Machinery/Equip	\$2,731.76	10397B	WORK ON 2000 FIRE TRUCK
<b>Total</b>		<b>MILLER SELLNER EQUIPMENT</b>	<b>\$2,731.76</b>		
<b>Minnesota Energy Resource Corp</b>					
Paid Chk# 9915608	12/31/2013	MINNESOTA ENERGY RESOURCE CORP			
E 221-42200-383		Gas Utilities	\$327.24		FIRE DEPT PORTION OF FIREHALL GAS-ACCT#4296165-6
E 231-42154-383		Gas Utilities	\$161.23		AMB PORTION OF FIREHALL GAS-ACCT#4296165-6
E 101-43100-383		Gas Utilities	\$677.37		STREET GARAGE GAS-ACCT#4092120-7
E 101-45186-383		Gas Utilities	\$246.79		SR CTR GAS-ACCT#4010846-6
E 211-45500-383		Gas Utilities	\$312.77		LIBRARY GAS-ACCT#4134278-3
E 101-41400-383		Gas Utilities	\$344.83		CITY HALL GAS-ACCT#4346780-2
<b>Total</b>		<b>MINNESOTA ENERGY RESOURCE CORP</b>	<b>\$2,070.23</b>		
<b>Municipal Utilities</b>					
Paid Chk# 9915609	12/31/2013	MUNICIPAL UTILITIES			
E 211-45500-380		Elec,Water,Sewer	\$215.20		LIBRARY UT
E 101-45200-380		Elec,Water,Sewer	\$29.18		LAWCON PARK LIGHTS
E 101-41400-380		Elec,Water,Sewer	\$323.30		CITY HALL UT
E 101-45200-380		Elec,Water,Sewer	\$79.94		CITY PARK RESTROOMS UT
E 101-45186-380		Elec,Water,Sewer	\$279.11		SR CTR UT
E 101-43100-380		Elec,Water,Sewer	\$226.82		ST DEPT UT
E 101-45171-380		Elec,Water,Sewer	\$27.54		WATER AT ICE RINK
E 231-42154-380		Elec,Water,Sewer	\$104.27		AMB PORTION OF FIREHALL UT
E 607-46330-380		Elec,Water,Sewer	\$2.47		4-PLEX PORTION OF ST LITE ON HERITAGE DRIVE
E 608-46330-380		Elec,Water,Sewer	\$4.80		8-PLEX PORTION OF ST LITE ON HERITAGE DRIVE
E 101-45183-380		Elec,Water,Sewer	\$15.84		UT AT CAMPGROUND
E 221-42200-380		Elec,Water,Sewer	\$211.69		FIRE DEPT PORTION OF FIREHALL UT
<b>Total</b>		<b>MUNICIPAL UTILITIES</b>	<b>\$1,520.16</b>		
<b>New Star Sales &amp; Service</b>					
Paid Chk# 9915610	12/31/2013	NEW STAR SALES & SERVICE			
E 101-41400-200		Office Supplies	\$218.00	41347	CABLE FOR COMPUTER NETWORK
<b>Total</b>		<b>NEW STAR SALES &amp; SERVICE</b>	<b>\$218.00</b>		
<b>Praxair</b>					
Paid Chk# 9915611	12/31/2013	PRAXAIR			
E 231-42154-210		Operating Supplies	\$124.79	48040257	OXYGEN FOR AMB
E 231-42154-210		Operating Supplies	\$47.55	48094699	OXYGEN FOR AMB
<b>Total</b>		<b>PRAXAIR</b>	<b>\$172.34</b>		
<b>Red Feather Paper</b>					
Paid Chk# 9915612	12/31/2013	RED FEATHER PAPER			
E 101-43124-216		Chemicals and Chem Products	\$108.16	72416	CALCIUM CHLORIDE
<b>Total</b>		<b>RED FEATHER PAPER</b>	<b>\$108.16</b>		
<b>Steven J. Carson</b>					
Paid Chk# 9915613	12/31/2013	STEVEN J. CARSON			
E 101-41910-111		Contract	\$4,530.00		2013 BUILDING INSPECTOR FEES
<b>Total</b>		<b>STEVEN J. CARSON</b>	<b>\$4,530.00</b>		
<b>Verizon</b>					
Paid Chk# 9915614	12/31/2013	VERIZON			
E 101-42100-321		Telephone	\$11.49		POLICE DEPT CELL PHONE
E 101-42100-321		Telephone	\$35.03		PD DATA LINE
E 231-42154-321		Telephone	\$9.27		AMB CELL PHONE
<b>Total</b>		<b>VERIZON</b>	<b>\$55.79</b>		
<b>10100 United Prairie</b>			<b>\$24,052.23</b>		

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**\*Check Detail Register©**

December 2013

Check Amt Invoice Comment

Fund Summary

<b>10100 United Prairie</b>	
101 GENERAL FUND	\$18,446.06
205 ECONOMIC DEVELOPMENT AUTHORITY	\$89.23
211 LIBRARY FUND	\$1,661.97
221 FIRE DEPT FUND	\$3,326.80
231 AMBULANCE FUND	\$460.68
507 LAKE COMMISSION FUND	\$60.22
607 EDA----4 PLEX FUND	\$2.47
608 EDA----8 PLEX FUND	\$4.80
	\$24,052.23

Paid Chk# 000332E 12/6/2013 UNITED PRAIRIE BANK

G 609-22800 Notes Payable - Current	\$385.23	DEC MASON MANOR-PRINC PAYMENT
E 609-46330-610 Interest	\$905.30	DEC MASON MANOR-INTEREST PAYMENT
<b>Total UNITED PRAIRIE BANK</b>	<b>\$1,290.53</b>	

Paid Chk# 000333E 12/30/2013 STATE OF MINNESOTA

G 101-20802 Sales Tax Payable	\$82.00	4TH QTR 2013 CAMPGROUND TAX
<b>Total STATE OF MINNESOTA</b>	<b>\$82.00</b>	

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# CITY OF MOUNTAIN LAKE

## \*Check Detail Register©

January 2014

Check Amt    Invoice    Comment

10100 United Prairie			Check Amt	Invoice	Comment
Paid Chk#	9915615	1/2/2014			MINNESOTA DEPARTMENT OF AGRIC
E	101-45200-433	Dues and Subscriptions	\$15.00		STEVE-2014 PESTICIDE APP LICENSE
Total MINNESOTA DEPARTMENT OF AGRIC			\$15.00		
10100 United Prairie					
Paid Chk#	9915616	1/2/2014			MINNESOTA DEPARTMENT OF AGRIC
E	101-43100-433	Dues and Subscriptions	\$15.00		DARON-2014 PESTICIDE APP LICENSE
Total MINNESOTA DEPARTMENT OF AGRIC			\$15.00		
10100 United Prairie					
Paid Chk#	9915617	1/2/2014			BARGEN
E	507-45210-402	Repairs/Maint- Ground	\$4,995.00	213603	BLOW & GO CRACK REPAIR ON TRAIL
Total BARGEN			\$4,995.00		
10100 United Prairie					
Paid Chk#	9915618	1/2/2014			BCBS/HSA
E	205-46500-130	Employer Paid HSA	\$4,000.00		2014 CITY CONTRIBUTION
E	211-45500-130	Employer Paid HSA	\$4,000.00		2014 CITY CONTRIBUTION
E	101-46200-130	Employer Paid HSA	\$2,400.00		2014 CITY CONTRIBUTION
E	101-45200-130	Employer Paid HSA	\$2,400.00		2014 CITY CONTRIBUTION
E	101-43100-130	Employer Paid HSA	\$7,200.00		2014 CITY CONTRIBUTION
E	101-42100-130	Employer Paid HSA	\$13,400.00		2014 CITY CONTRIBUTION
E	101-41400-130	Employer Paid HSA	\$8,000.00		2014 CITY CONTRIBUTION
R	101-42100-36200	Miscellaneous Revenues	\$350.00		2014 CITY CONTRIBUTION
Total BCBS/HSA			\$41,750.00		
10100 United Prairie					
Paid Chk#	9915619	1/2/2014			BROWN NICOLLET ENVIRON HEALTH
E	101-45183-433	Dues and Subscriptions	\$140.08		2014 CAMPGROUND LICENSE
Total BROWN NICOLLET ENVIRON HEALTH			\$140.08		
10100 United Prairie					
Paid Chk#	9915620	1/2/2014			DENNIS HULZEBOS
E	211-45500-400	Janitor-Repairs/Maint	\$345.00		JANUARY MAINT AT LIBRARY
E	101-45186-400	Janitor-Repairs/Maint	\$250.00		JANUARY MAINT AT SR CTR
Total DENNIS HULZEBOS			\$595.00		
10100 United Prairie					
Paid Chk#	9915621	1/2/2014			FREE PRESS
E	211-45500-591	Periodicals	\$287.88		LIBRARY PERIODICALS
Total FREE PRESS			\$287.88		
10100 United Prairie					
Paid Chk#	9915622	1/2/2014			MINN CHIEFS OF POLICE
E	101-42100-433	Dues and Subscriptions	\$165.00	2014	2014 MEMBERSHIP-POLICE DEPT
Total MINN CHIEFS OF POLICE			\$165.00		
10100 United Prairie					
Paid Chk#	9915623	1/2/2014			MINNESOTA DEPARTMENT OF AGRIC
E	101-43100-433	Dues and Subscriptions	\$15.00		RICK-2014 PESTICIDE APP LICENSE
Total MINNESOTA DEPARTMENT OF AGRIC			\$15.00		
10100 United Prairie					
Paid Chk#	9915624	1/2/2014			MINNESOTA MUTUAL LIFE
G	101-21706	Hospitalization/Medical Ins	\$7.30		JAN LIFE INS-DARON FRIESEN
E	101-41400-134	Employer Paid Life	\$4.00		JAN LIFE INS-OFFICE
E	101-42100-135	Employer Paid Other	\$2.00		JAN BRIAN LUNZ LIFE INSURANCE
E	101-42100-134	Employer Paid Life	\$8.00		JAN LIFE INS-POLICE DEPT
E	101-41400-134	Employer Paid Life	\$2.00		JAN WENDY FAST-LAKER APTS-LIFE INS
E	211-45500-134	Employer Paid Life	\$2.00		JAN LIFE INS-LIBRARY
E	101-43100-134	Employer Paid Life	\$3.60		JAN LIFE INS-ST DEPT
E	101-46200-134	Employer Paid Life	\$1.20		JAN LIFE INS-CEMETERY
E	205-46500-134	Employer Paid Life	\$2.00		JAN LIFE INS-EDA
G	101-21706	Hospitalization/Medical Ins	\$26.20		JAN LIFE INS-KIM HALL

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## CITY OF MOUNTAIN LAKE

## \*Check Detail Register©

January 2014

	Check Amt	Invoice	Comment
E 101-45200-134 Employer Paid Life	\$1.20		JAN LIFE INS-PARKS DEPT
G 101-21706 Hospitalization/Medical Ins	\$15.85		JAN LIFE INS-ROBB ANDERSON
<b>Total MINNESOTA MUTUAL LIFE</b>	<b>\$75.35</b>		
<b>Paid Chk# 9915625 1/2/2014 MINNESOTA STATE FIRE DEPT ASSO</b>			
E 221-42200-433 Dues and Subscriptions	\$170.00		2014 DUES FOR FIRE DEPT
<b>Total MINNESOTA STATE FIRE DEPT ASSO</b>	<b>\$170.00</b>		
<b>Paid Chk# 9915626 1/2/2014 MUSKE, MUSKE, SURHOFF</b>			
E 101-41400-304 Legal Fees	\$1,400.00		JANUARY LEGAL RETAINER
<b>Total MUSKE, MUSKE, SURHOFF</b>	<b>\$1,400.00</b>		
<b>Paid Chk# 9915627 1/2/2014 NEW STAR SALES &amp; SERVICE</b>			
E 101-42100-570 Office Equip and Furnishings	\$1,676.87	41336	COPIER FOR POLICE DEPT
<b>Total NEW STAR SALES &amp; SERVICE</b>	<b>\$1,676.87</b>		
<b>Paid Chk# 9915628 1/2/2014 SW/WC SERVICE COOPERATIVES</b>			
E 101-42100-135 Employer Paid Other	\$366.00		JAN HEALTH INS-BRIAN LUNZ
E 101-42100-131 Employer Paid Health	\$2,806.44		JAN HEALTH INS-POLICE DEPT
E 101-41400-131 Employer Paid Health	\$2,140.32		JAN HEALTH INS-OFFICE
E 101-43100-131 Employer Paid Health	\$1,926.28		JAN HEALTH INS-ST DEPT
E 101-45200-131 Employer Paid Health	\$642.10		JAN HEALTH INS-PARKS DEPT
E 211-45500-131 Employer Paid Health	\$1,070.16		JAN HEALTH INS-LIBRARY
E 205-46500-131 Employer Paid Health	\$1,070.16		JAN HEALTH INS-EDA
E 101-46200-131 Employer Paid Health	\$642.10		JAN HEALTH INS-CEMETERY
<b>Total SW/WC SERVICE COOPERATIVES</b>	<b>\$10,663.56</b>		
<b>10100 United Prairie</b>	<b>\$61,963.74</b>		

## Fund Summary

<b>10100 United Prairie</b>	
101 GENERAL FUND	\$46,021.54
205 ECONOMIC DEVELOPMENT AUTHORITY	\$5,072.16
211 LIBRARY FUND	\$5,705.04
221 FIRE DEPT FUND	\$170.00
507 LAKE COMMISSION FUND	\$4,995.00
	<b>\$61,963.74</b>

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**DRAFT**  
**Mt. Lake City Council**  
**Mt. Lake City Hall**  
**Tuesday, December 17, 2013**  
**6:30 p.m.**

Members Present: Mayor Dean Janzen, Audi Nickel, David Savage, Brian Schultz, Andrew Ysker

Members Absent: None

Staff Present: Maryellen Suhrhoff, City Attorney, Muske, Muske & and Suhrhoff;  
Wendy Meyer, Clerk/Administrator; Lynda Cowell, Utilities Office  
Manager

Others Present: Doug Regehr

**Call to Order**

Mayor Janzen called the meeting to order at 6:30 p.m. Motion by Nickel, seconded by Ysker, to add 8f. Public School Pool Agreement Extension. Motion carried unanimously. Motion by Nickel, seconded by Schultz, to approve the consent agenda as presented and the agenda as amended. Motion carried unanimously.

Bills: Check #'s 9915501 – 9915568 330E, 331E

Payroll: Check #'s 60832 - 60866

Dec. 3 Council Minutes

Nov. 24 Utility Commission Minutes

Nov. Library Report, Expenditures

Nov. 12 Lake Commission Minutes

Nov. 14 Police Commission Minutes

Nov. 8 and Nov. 24 EDA Minutes

2014 Cigarette Licenses for Maynard's, Casey's, and Co. Pride

**Public**

Lynda Cowell, Utilities Office Manager, discussed non-union wages and salaries with the council. The council instructed the administrator to prepare a pay study Request for Proposal (RFP).

**Replacement of Lawn Mower**

Two bids from Midway Farm Equipment for a new lawn mower were reviewed. Motion by Nickel, seconded by Savage, to purchase a Simplicity Cobalt zero turn mower with a list price of \$11,199 less trade-in and discounts, for a cost of \$5,600.

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### **2014 City Budget and Levy**

The budget was reviewed. The proposed increase over 2013 is 2.3%. Discussion was held on setting the levy. Motion by Schultz, seconded by Nickel, to adopt the 2014 city budget as presented and Resolution # 35-13 Setting the 2014 Property Tax Levy. The levy was set at \$576,355.90 an increase of 1%. Motion carried unanimously.

### **Water and Sewer Rate Increases**

The increases recommended by the Utility Commission were reviewed. The increases are largely necessary to re-pay the bonds sold to finance the 2012-2013 Utility and Street Project. Prior to the start of the Project the Utility, with the help of Northland Securities prepared a proposed rate sheet for the life of the re-payment. These increases are as previously determined. Motion by Nickel, seconded by Savage, to adopt Resolution #34-13 Setting 2014 Water and Sewer Rates effective for usage after January 1, 2014. Motion carried unanimously. Electric rates will not change.

### **2014 Utility Budgets**

The budgets as recommended by the Utility Commission were reviewed. Motion by Nickel, seconded by Ysker, to adopt the 2014 budgets as presented. Motion carried unanimously.

### **2014-2016 American Federation of State, County and Municipal Employees (AFSCME) Contract**

The city is still waiting for the final contract from the business agent. The last draft was reviewed by the administrator; no further changes are needed. Motion by Nickel, seconded by Savage, to approve the last draft of the contract, and authorize the mayor and administrator to sign the final contract when available provided there are no changes. Motion carried unanimously.

### **Non-union employee 2014 Salaries and Wages**

Increases were discussed, no action taken.

### **2014 Council Meeting Schedule**

The 2014 schedule was reviewed. Meetings will be held the first and third Mondays of the month with the exception of second January meeting moved to Tues. the 21st; the second February meeting moved to Tues. the 18<sup>th</sup>, the second June meeting moved to Mon. the 26<sup>th</sup>; the first September meeting moved to Tues. the 2<sup>nd</sup>. Due to conflicts with Christmas programs December meetings were moved to the first and third Tuesday. Motion by Nickel, seconded by Ysker, to adopt the schedule. Motion carried unanimously.

### **2013 Audit Agreement with Abdo, Eick, and Meyers**

The agreement was reviewed. The rising audit cost was discussed. Motion by Nickel, seconded by Schultz, authorizing the mayor to sign the agreement and directing the administrator to prepare a Request for Proposal for auditing services. Motion carried unanimously.

#### **Lake Commission Grant Application**

The Commission intends to submit an application to the Mt. Lake Area Foundation to paint one and one-half mile markers on the trail surface and to purchase trail markers to identify vegetation and trees. Motion by Nickel, seconded by Schultz, authorizing submission of the grant. Motion carried unanimously.

#### **City Hall Hours - Dec. 24**

Motion by Nickel, seconded by Ysker, to close City Hall at noon on the 24<sup>th</sup>. Motion carried unanimously. Employees have the option of working or using vacation time.

#### **Mt. Lake Public School Pool Agreement**

The agreement ends Dec. 31, 2013. The school has requested the agreement be extended one year. Motion by Schultz, seconded by Nickel, to extend the agreement one year. Motion carried unanimously.

#### **Evaluation of the Clerk/Administrator**

Each council member, in turn, rated the administrator in areas of organizational and fiscal management, program development, problem solving, long range planning, and communication skills, noting strengths and weaknesses and making suggestions for improvements. No action taken.

#### **Adjourn**

Motion by Nickel, seconded by Ysker, to adjourn at 8:15 p.m.

ATTEST:

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Wendy Meyer, Clerk/Administrator

**RESOLUTION # 1-14**

**RESOLUTION TO ACCEPT AN \$18,000 GIFT FROM  
THE MOUNTAIN LAKE FIRE RELIEF ASSOCIATION**

**CITY OF MOUNTAIN LAKE, MINNESOTA**

**Whereas**, the Mountain Lake Fire Relief Association has a valid license to conduct lawful gambling at "The Laker Bar and Grill" located in the City of Mountain Lake; and

**Whereas**, money raised from lawful gambling can be used for lawful purposes; and

**Whereas**, a contribution to the City of Mountain Lake is a lawful purpose in accordance with MN Statute 349.12, Subd. 10; and

**Whereas** the, Mountain Lake Fire Relief Association has stated its intent to assist the City of Mountain Lake by gifting funds for Mountain Lake Fire Department capital purchases.

**Therefore, be it resolved** that the Mountain Lake City Council accept the gift of \$18,000 from the Mountain Lake Fire Relief Association to assist the City of Mountain Lake with the purchases of Mountain Lake Fire Department capital purchases;

**And be it further resolved** that the Mountain Lake City Council thanks the Mountain Lake Fire Relief Association for their gift.

Adopted this 6<sup>th</sup> day of January, 2014.

\_\_\_\_\_  
Dean Janzen, Mayor

ATTEST:

\_\_\_\_\_  
Wendy Meyer, Administrator/Clerk

**CITY OF MOUNTAIN LAKE (MINNESOTA)**

**MODIFIED REDEVELOPMENT PLAN FOR  
MODIFIED REDEVELOPMENT PROJECT NO. 1**

**AND**

**TAX INCREMENT FINANCING PLAN FOR  
TAX INCREMENT FINANCING (ECONOMIC DEVELOPMENT) DISTRICT  
NO. 1-6**

**(MOUNTAIN POWER HYDRAULICS)**

**ADOPTED (RESOLUTION NO. 2013-XX)**

**DRAFT PLAN FOR PUBLIC HEARING: DECEMBER 6, 2013**

**PUBLIC HEARING: JANUARY 6, 2013**

**ORIGINAL TIF PLAN APPROVED: \_\_\_\_\_**

**REQUEST FOR CERTIFICATION: \_\_\_\_\_**

**DISTRICT CERTIFIED: \_\_\_\_\_**



**NORTHLAND STRATEGIES**  
**Special Projects Group**

Northland Securities, Inc.  
45 South 7th Street, Suite 2000  
Minneapolis, MN 55402  
(800) 851-2920  
Member NASD and SIPC

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## ARTICLE I – INTRODUCTION AND DEFINITIONS

### SECTION 1.01 INTRODUCTION

The Mountain Lake Economic Development Authority proposes to provide tax increment financing assistance to facilitate public improvements and private development projects in Redevelopment Project No. 1. This document contains the modified Redevelopment Plan for achieving the objectives of a modified Redevelopment Project No. 1 through the establishment of a Tax Increment Financing Plan and use of Tax Increment Financing (Economic Development) District No. 1-6.

Redevelopment Project No. 1 was originally proposed by the Mountain Lake Economic Development Authority and established and approved by the City of Mountain Lake on August 19, 2013. The Redevelopment Plan for Redevelopment Project No. 1 was proposed and approved on the same date.

### SECTION 1.02 DEFINITIONS

The terms defined below, for purposes hereof, and for purposes of any Tax Increment Financing Districts and Plans which may be now or hereafter established and approved within the Redevelopment Project, shall have the following respective meanings, unless the context specifically requires otherwise. As in Minnesota Statutes, Section 469.058, the term "development" includes redevelopment, and the term "developing" includes redeveloping.:

1. "Authority" means the Mountain Lake Economic Development Authority, established pursuant to the Enabling Act and City Resolution No. 7-89.
2. "City" means the City of Mountain Lake, Minnesota.
3. "City Council" means the City Council of the City.
4. "County" means Cottonwood County, Minnesota.
5. "Developer" means a party undertaking construction or renovation in the TIF District.
6. "Economic Development District" means Project Area which the Authority has designated as an Economic Development District, pursuant to Minnesota Statutes, Section 469.090 through 469.108, inclusive, as amended.
7. "Enabling Act" means (1) the Minnesota Municipal Housing and Redevelopment Act codified as Minnesota Statutes, Sections 469.001 through 469.047, and (2) the Economic Development Authority Act codified as Minnesota Statutes, Section 469.090 to 469.1082, including all powers provided or referenced therein, and as the same may be amended or supplemented.
8. "Project Area" means the real property within the City constituting the Redevelopment Project and the Economic Development District as modified and currently depicted and described in the attached Article II and Exhibit V.
9. "Public Costs" means the public redevelopment costs of the Redevelopment Project.
10. "Redevelopment Plan" means the modified Redevelopment Plan for the Redevelopment Project (this document), as the same may, from time to time, be amended or supplemented.
11. "Redevelopment Project" means modified Redevelopment Project No. 1 of the Authority, as the same may, from time to time, be amended or supplemented.
12. "School District" means Mountain Lake Public Schools (ISD #173).
13. "State" means the State of Minnesota.

14. "TIF Act" means Minnesota Statutes, Sections 469.174 through 469.1794, inclusive, as amended.
15. "TIF District" means Tax Increment Financing (Economic Development) District No. 1-6.
16. "TIF Plan" means the tax increment financing plan for the TIF District (this document).

### **SECTION 1.03 EXHIBITS**

The following exhibits are attached to and by reference made a part of this Redevelopment Plan and Tax Increment Financing Plan:

- Exhibit I: Present Value Analysis.
- Exhibit II: Projected Tax Increment.
- Exhibit III: Impact on Other Taxing Jurisdictions.
- Exhibit IV: Estimated Tax Increment Over Life of District.
- Exhibit V: Map of Boundaries of Project Area and of TIF District

### **SECTION 1.04 PLAN PREPARATION**

This document was prepared for the City and Authority by Northland Securities, Inc.

**ARTICLE II – STATEMENT OF PUBLIC PURPOSE AND AUTHORITY**

**SECTION 2.01 ENABLING ACT; STATUTORY AUTHORITY**

Pursuant to the Enabling Act, the City was authorized to establish an economic development authority that has the same powers as an economic development authority under Minnesota Statutes, Section 469.090 to 469.1082, or other law, as well as the powers of a municipal housing and redevelopment authority established under Minnesota Statutes, Section 469.001 to 469.047, or other law. In addition the Enabling Act authorized the City, upon establishment of such an economic development authority, to exercise all the powers relating to an economic development authority granted to a city by Minnesota Statutes, Section 469.090 to 469.1082, or other law, and all the powers relating to a housing and redevelopment authority granted to a city by Minnesota Statutes, Section 469.001 to 469.047, or other law.

Pursuant to Resolution No. 7-89 adopted by the Council on July 5, 1989, the City thereby established the Authority as the entity authorized by the Enabling Act.

It is the intention of the City, notwithstanding the enumeration of specific goals and objectives in the Redevelopment Plan, that the City and Authority shall have and enjoy with respect to the Redevelopment Project the full range of powers and duties conferred upon the Authority pursuant to the Enabling Act, the Tax Increment Act, and such other legal authority as the Authority may have or enjoy from time to time.

**SECTION 2.02 STATEMENT AND FINDING OF PUBLIC PURPOSE**

The City finds that there is a need for development within the City and the Redevelopment Project to provide employment opportunities, to improve the local tax base, and to improve the general economy of the City and the State.

The City finds that in many cases such marginal property cannot be developed without public participation and assistance in forms including property acquisition and/or write down, proper planning, the financing of land assembly in the work of clearance or development, and the making and/or financing of various other public and private improvements necessary for development. In cases where the development of marginal and other property cannot be done by private enterprise alone, the City believes it to be in the public interest to consider the exercise of its powers, to advance and spend public money, and to provide the means and impetus for such development.

The City finds that in certain cases property within the Project Area would or may not be available for development without the specific financial aid to be sought, that the Redevelopment Plan will afford maximum opportunity, consistent with the needs of the City as a whole, for the development of the Project Area by private enterprise, and that the Redevelopment Plan conforms to the general plan for the development of the City as a whole.

The City also finds that the welfare of the City and the State requires the active promotion, attraction, encouragement, and development of economically sound industry and commerce through governmental action for the purpose of preventing the emergence of blighted and marginal lands and areas of chronic unemployment. It shall also be the policy of the Authority to facilitate and encourage such action as may be necessary to prevent the economic deterioration of such areas to the point where the process can be reversed only by total redevelopment. Through the use of the powers conferred on the City pursuant to the Enabling Act, promoting economic development may prevent the occurrence of conditions requiring redevelopment and prevent the emergence of blight, marginal land, and substantial and persistent unemployment.

The Redevelopment Plan shall also include the goals (1) of providing an impetus for residential

development desirable or necessary to accommodate increased population within the City and (2) of helping to achieve affordable housing goals, including through payment or reimbursement of certain infrastructure or other costs of the housing developments.

### **SECTION 2.03 BOUNDARIES OF PROJECT AREA**

The area within the modified Project Area is described in Exhibit V. The Project Area is inclusive of the area within Tax Increment Financing District No. 1-5 and Tax Increment Financing District No. 6. The Project Area shall also include all adjacent roadways, rights-of-way and other areas wherein will be installed or upgraded the various public improvements necessary for and part of the overall project. The City finds that the modified Project Area, together with the objectives which the City seeks to accomplish or encourage with respect to such property, constitutes a "redevelopment project" and a "redevelopment plan" within the meaning of Minnesota Statutes, Section 469.002, Subdivisions 14 and 16, and constitutes an "economic development district" under Minnesota Statutes, 469.090 through 469.1082, inclusive, as amended.

## ARTICLE III - REDEVELOPMENT PLAN

### SECTION 3.01 STATEMENT OF OBJECTIVES

The modification of the established Project Area in the City pursuant to the Enabling Act is necessary and in the best interests of the City and its residents and is necessary to give the City and the Authority the ability to meet certain public purpose objectives that would not be obtainable in the foreseeable future without intervention by the Authority in the normal development process.

The Authority intends, to the extent permitted by law, to accomplish the following objectives through the implementation of the Redevelopment Plan:

- (a) Provide for the acquisition of land and construction and financing of building(s), site improvements, and/or public utilities in the Project Area which are necessary for the orderly and beneficial development of the Project Area and adjacent areas of the City.
- (b) Promote and secure the prompt and unified development of certain property in the Project Area, which property is not now in productive use or in its highest and best use, with a minimum adverse impact on the environment, and thereby promote and secure the desirable development of other land in the City.
- (c) Promote and secure additional employment opportunities within the Project Area and the City for residents of the City and the surrounding area, thereby improving living standards and reducing unemployment and the loss of skilled and unskilled labor and other human resources in the City.
- (d) Secure the increase of assessed values of property subject to taxation by the City, School, County, and other taxing jurisdictions in order to better enable such entities to pay for governmental services and programs that they are required to provide.
- (e) Promote the concentration of new unified development consisting of desirable manufacturing, industrial, housing and other appropriate development in the Project Area so as to maintain the area in a manner compatible with its accessibility and prominence in the City.
- (f) Encourage the expansion and improvement of local business, economic activity and development and housing development, whenever possible.
- (g) Create a desirable and unique character within the Project Area through quality land use alternatives and design quality in new buildings.

### SECTION 3.02 DEVELOPMENT ACTIVITIES

The Authority will perform or cause to be performed, to the extent permitted by law, all project activities pursuant to the Enabling Act, the Tax Increment Act and other applicable state laws, and in doing so anticipates that the following may, but are not required, to be undertaken by the Authority:

- (a) The making of studies, planning, and other formal and informal activities relating to the Redevelopment Plan.
- (b) The implementation and administration of the Redevelopment Plan.
- (c) The rezoning of land within the Project Area.
- (d) The acquisition of property, or interests in property, by purchase or condemnation, which acquisition is consistent with the objectives of the Redevelopment Plan,

- (e) The preparation of property for use and development in accordance with applicable Land Use Regulations and the Development Agreement, including demolition of structures, clearance of sites, placement of fill and grading.
- (f) The resale of property to private parties.
- (g) The construction or reconstruction of improvements described in Section 4.7 hereof.
- (h) The issuance of Tax Increment Bonds to finance the Public Costs of the Redevelopment Plan, and the use of Tax Increments or other funds available to the City and the Authority to pay or finance the Public Costs of the Redevelopment Plan incurred or to be incurred by it.
- (i) The use of Tax Increments to pay debt service on the Tax Increment Bonds or otherwise pay or reimburse with interest the Public Costs of the Redevelopment Plan.

### **SECTION 3.03 PAYMENT OF PUBLIC COSTS**

It is anticipated that the Public Costs of the Redevelopment Plan will be paid primarily from proceeds of Tax Increment Bonds or from Tax Increments. The Authority reserves the right to utilize other available sources of revenue, including but not limited to lease payments, special assessments and user charges, which the Authority may apply to pay a portion of the Public Costs.

### **SECTION 3.04 ENVIRONMENTAL CONTROLS; LAND USE REGULATIONS**

All municipal actions, public improvements and private development shall be carried out in a manner consistent with existing environmental controls and all applicable Land Use Regulations.

### **SECTION 3.05 PARK AND OPEN SPACE TO BE CREATED**

Park and open space within the Project Area if created will be created in accordance with the zoning and platting ordinances of the City.

### **SECTION 3.06 PROPOSED REUSE OF PROPERTY**

The Redevelopment Plan contemplates that the Authority may acquire property and reconvey the same to another entity. Prior to formal consideration of the acquisition of any property, the Authority will require the execution of a binding development agreement with respect thereto and evidence that Tax Increments or other funds will be available to repay the Public Costs associated with the proposed acquisition. It is the intent of the Authority to negotiate the acquisition of property whenever possible. Appropriate restrictions regarding the reuse and redevelopment of property shall be incorporated into any Development Agreement to which the Authority is a party.

### **SECTION 3.07 ADMINISTRATION AND MAINTENANCE OF PROJECT AREA**

Maintenance and operation of the Project Area will be the responsibility of the city administrator who shall serve as administrator of the Project Area. Each year the administrator will submit to the Authority the maintenance and operation budget for the following year.

The administrator will administer the Project Area pursuant to the Enabling Act; provided, however, that such powers may only be exercised at the direction of the Authority. No action taken by the administrator pursuant to the above-mentioned powers shall be effective without authorization by the Authority.

**SECTION 3.08 RELOCATION**

Any person or business that is displaced as a result of the Redevelopment Plan will be relocated in accordance with Minnesota Statutes, Section 117.50 to 117.56. The City and the Authority accepts its responsibility for providing for relocation assistance when applicable.

**SECTION 3.09 AMENDMENTS**

The Authority reserves the right to alter and amend the Redevelopment Plan and the Tax Increment Financing Plan, subject to the provisions of state law regulating such action. The City and the Authority specifically reserves the right to enlarge or reduce the size of the Project Area and the Tax Increment District, the Redevelopment Plan and the Public Costs of the Redevelopment Plan and the amount of Tax Increment Bonds to be issued to finance such cost by following the procedures specified in Minnesota Statutes, Section 469.175, Subdivision 4.

**SECTION 3.10 FINDINGS AND DECLARATION**

The Authority makes the following findings:

- (a) The land in the Project Area would not be made available for redevelopment without the financial aid sought.
- (b) The Redevelopment Plan for the Project Area in the City will afford maximum opportunity consistent with the needs of the locality as a whole, for the redevelopment of the area by private enterprise.
- (c) The Redevelopment Plan conforms to the general plan for development of the City as a whole.

## ARTICLE IV - TAX INCREMENT FINANCING DISTRICT AND PLAN

### SECTION 4.01 STATUTORY AUTHORITY

Tax Increment Financing (Economic Development) District No. 1-6 and this TIF Plan are established under the authority of the TIF Act (Minnesota Statutes 2012). For future reference in administering the TIF Plan, a copy of the TIF Act (2012) will be included in the TIF record book for TIF District 1-6.

### SECTION 4.02 PLANNED DEVELOPMENT

#### 4.02.1 *Statement of Objectives*

The objectives which the Authority seeks to achieve through the implementation of this Tax Increment District (the "District") are set out in the Redevelopment Plan.

#### 4.02.2 *Development Program*

The development program which the Authority seeks to further through the implementation of this District and its Tax Increment Plan is the Redevelopment Plan.

#### 4.02.3 *Project Description*

The City and the Authority are pursuing the establishment of the TIF District to assist the Authority in financing for a new economic development project that will involve the construction of an approximately 40,000 SF manufacturing facility within the City. The project will be located on land immediately adjacent to an existing manufacturing facility owned by the same company which will lease the newly constructed facility from the Authority.

#### 4.02.4 *Authority Plans and Redevelopment Plan*

In addition to achieving the objectives of the Redevelopment Plan, the proposed development is consistent with and works to achieve the development objectives of the Authority. The TIF Plan for the TIF District conforms to the general plan for development of the City as a whole.

#### 4.02.5 *Land Acquisition*

Acquisition of land by the Authority within the TIF District is anticipated. The Authority anticipates acquiring land through the subdivision and replatting of an existing parcel (PID 22-003-0100), within the Redevelopment Project and TIF District, at such time or times as the Authority may determine to be necessary or desirable to assist or implement development within the Redevelopment Project or the TIF District.

#### 4.02.6 *Development Activities*

As of the date of approval of this TIF Plan, the Authority anticipates that activities proposed in this TIF Plan will be subject to contracts. The Authority anticipates making improvements to the land it plans to acquire. The Authority anticipates entering into a lease agreement with a Developer (the "Tenant") for the land to be acquired by the Authority and the new improvements anticipated to be constructed by the Authority, to establish Tenant's obligations with respect to the use of the improvements and the payment of rent to the Authority and to set forth Authority's rights if Tenant fails to perform its obligations under the lease agreement.

#### 4.02.7 *Need for Tax Increment Financing*

In the opinion of the City and the Authority, the proposed development would not reasonably be expected to occur solely through private investment within the foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the

use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan.

The reasons and facts supporting this finding include the following. The City and the Authority have determined that no other development is expected to occur on the site that would create a greater market value than the proposed expansion by the Developer, after adjusting for the tax increment assistance. Analysis of the site shows that continued and expanded industrial use results in a greater increase in market value than other possible land uses.

Furthermore, given the location of the property and the property's zoning classification, housing or other commercial uses are not appropriate or likely for the site. The City and the Authority find that without the use of tax increment financing, the proposed and preferred economic development project will not occur.

A comparative analysis of estimated market values both with and without establishment of the TIF District and the use of tax increments has been performed as described above and is shown in Exhibit I. This analysis indicates that the increase in estimated market value of the proposed development (less the present value of the projected tax increments for the maximum duration permitted by the TIF Plan) exceeds the estimated market value of the site prior to the establishment of the TIF District.

## SECTION 4.03 TAX INCREMENT FINANCING DISTRICT

### 4.03.1 Designation

This TIF District is designated Tax Increment Financing (Economic Development) District No. 1-6 (Mountain Power Hydraulics).

### 4.03.2 Boundaries of TIF District

The boundaries of the TIF District are shown in Exhibit V. The TIF District includes a portion of PID No. 22-003-0100, which is currently undergoing a replatting process. According to the proposed final plat, the property making up the TIF District will be described as follows:

#### PROPOSED LEGAL DESCRIPTION

That part of the Northwest Quarter of the Northwest Quarter of Section 3, Township 105 North, Range 34 West, City of Mountain Lake, Cottonwood County, Minnesota, described as follows:

Commencing at the Northwest corner of Section 3; thence South 89 degrees 52 minutes 06 seconds East bearings based on the Cottonwood County Coordinate System NAD83(07) on the north line of the Northwest Quarter, a distance of 438.87 feet; thence South 00 degrees 30 minutes 25 seconds East, a distance of 197.87 feet to the point of beginning; thence continuing South 00 degrees 30 minutes 25 seconds East, a distance of 154.37 feet; thence South 89 degrees 29 minutes 35 seconds West, a distance of 49.50 feet; thence South 00 degrees 30 minutes 25 seconds East, a distance of 101.00 feet; thence North 89 degrees 29 minutes 35 seconds East, a distance of 200.50 feet; thence North 00 degrees 30 minutes 25 seconds West, a distance of 255.37 feet; thence South 89 degrees 29 minutes 35 seconds West, a distance of 151.00 feet to the point of beginning.

Parcel contains 1.00 acre of land.

The TIF District shall also include all adjacent roadways, rights-of-way and other areas wherein will be installed or upgraded the various public improvements necessary for and part of the overall project.

4.03.3 *Type of District*

The TIF District is established as an "economic development" district pursuant to Minnesota Statutes Sections 469.174, Subd. 12 and 469.176, Subd. 4c. These sections of the TIF Act allow tax increments from an economic development district may be used to provide improvements, loans, subsidies, grants, interest rate subsidies, or assistance in any form to developments consisting of buildings and ancillary facilities, if all the following conditions are met:

- (1) it will discourage commerce, industry, or manufacturing from moving their operations to another state or municipality; or
- (2) it will result in increased employment in the state; or
- (3) it will result in preservation and enhancement of the tax base of the state.

Revenue derived from tax increment from an economic development district may not be used to provide improvements, loans, subsidies, grants, interest rate subsidies, or assistance in any form to developments consisting of buildings and ancillary facilities, if more than 15 percent of the buildings and facilities (determined on the basis of square footage) are used for a purpose other than:

- (1) the manufacturing or production of tangible personal property, including processing resulting in the change in condition of the property;
- (2) warehousing, storage, and distribution of tangible personal property, excluding retail sales;
- (3) research and development related to the activities listed in clause (1) or (2);
- (4) telemarketing if that activity is the exclusive use of the property;
- (5) tourism facilities; or
- (6) space necessary for and related to the activities listed in clauses (1) to (5).

The current project within the TIF District relates to plans by the Tenant to relocate an existing manufacturing and warehousing facility from another state to the City.

**SECTION 4.04 PLAN FOR USE OF TAX INCREMENT**

4.04.1 *Estimated Tax Increment*

The Original Tax Capacity of value of the TIF District will be set by the County upon request for certification. The Original Tax Capacity value may change over time based on the use and tax classification of each parcel. For the purposes of this Plan, the estimated Original Tax Capacity is \$150. This amount is based on the most recent published Estimated Market Value of the property that will be subdivided to create a new parcel that will be within the TIF District. The original estimated market value of the new parcel to be created is \$10,000 with tax capacity value calculated for commercial-industrial property.

The total tax capacity value of the property after completion of planned development is estimated to be \$31,267. This amount is based on a total Estimated Market Value of \$1,600,832 with property classified as commercial-industrial. The difference between the total tax capacity value and the Original Tax Capacity value is the Captured Tax Capacity Value for the creation of tax increment. It is the Authority's intent to retain 100% of the Captured Tax Capacity Value for the life of the TIF district.

The total local tax rate for taxes payable in 2013 is 153.295%. The local tax rate certified by the county auditor will be the sum of all the local tax rates excluding that portion of the school rate attributable to the general education levy (under Minnesota Statutes Section 126C.13) that apply to property in the district. The TIF Plan assumes that the rate of 153.295% will be set as the Original Tax Rate for the District.

TAX INCREMENT FINANCING (ECONOMIC DEVELOPMENT) DISTRICT NO. 1-6

Under these assumptions, the estimated annual tax increment upon completion of all phases of redevelopment will be \$47,700. The actual tax increment will vary according to the certified Original Tax Capacity value and Original Tax Rate, the actual property value produced by the proposed development and the changes in property value and State tax policy over the life of the district.

Exhibit II contains the projected tax increment over the life of the District.

**4.04.2 Development Costs**

The Authority determines that 100% of the tax increment from the Captured Tax Capacity Value from the TIF District shall be used for the repayment of the Tax Increment Bonds, and payment of Public Costs of the Redevelopment Project in accordance with the Redevelopment Plan and

	<b>Totals</b>
<b>Estimated Tax Increment Revenues (from tax increment generated by the district)</b>	
Tax increment revenues distributed from the county	\$500,000
Interest and investment earnings	\$20,000
Sales/lease proceeds	\$2,500,000
Market value homestead credit	\$0
<b>Total Estimated Tax Increment Revenues</b>	<b>\$3,020,000</b>
 <b>Estimated Project/Financing Costs (to be paid or financed with tax increment)</b>	
Project costs	
Land/building acquisition	\$25,000
Site improvements/preparation costs	\$230,000
Utilities	\$0
Other qualifying improvements	\$1,901,121
Construction of affordable housing	\$0
Small city authorized costs, if not already included above	\$0
Administrative costs	\$50,000
<b>Estimated Tax Increment Project Costs</b>	<b>\$2,206,121</b>
 Estimated financing costs	
Interest expense	\$813,879
<b>Total Estimated Project/Financing Costs to be Paid from Tax Increment</b>	<b>\$3,020,000</b>
 <b>Estimated Financing</b>	
Total amount of bonds to be issued	\$2,180,000

TIF Plan.

**4.04.3 Estimated Sources and Uses of Funds**

The estimated sources of revenue, along with the estimated Public Costs of the TIF District, are itemized in Figure 4-2. These estimates are based on the best available information in the sources and uses of funds. Such costs are eligible for reimbursement from tax increments, and other listed sources of revenue from the TIF District.

**FIGURE 4-2  
ESTIMATED SOURCES AND USES OF FUNDS**

The City and the Authority reserves the right to administratively adjust the amount of any of the

items listed in Figure 4-2 to incorporate additional eligible items, so long as the total estimated project/financing costs to be paid from tax increment is not increased.

#### 4.04.4 *Administrative Expense*

The Authority reserves the authority to retain up to ten percent (10%) of annual tax increment revenues, less fees paid to the State and County. The Authority will use these monies to pay for and reimburse the Authority for costs of administering the TIF district allowed by the TIF Act. Based on current projections, this maximum amount is estimated to be \$50,000 over the proposed life of the TIF District. Anticipated administrative expenses of the TIF District include annual audit of the fund for TIF District, preparation of annual reporting, legal publication of annual report, and administration of the development agreement. The Authority may also reimburse itself for costs associated with the establishment of the TIF District, including the TIF Plan and the lease agreement.

#### 4.04.5 *County Road Costs*

The proposed development will not substantially increase the use of county roads and necessitate the need to use tax increments to pay for county road improvements.

#### 4.04.6 *Bonded Indebtedness*

The City anticipates it will finance project costs with bonds to be paid with TIF revenues. The form of bonded indebtedness is anticipated to be general obligation tax increment revenue bonds.

While not anticipated, the City and the Authority reserve their authority to incur future bonded indebtedness in the form of a contractual commitment in a development agreement, a separate contract-to-pay or a separately issued pay-go note. Regardless of its form, such indebtedness is defined as a "bond" in the TIF Act (Minnesota Statutes 469.174, Subd. 3). Any future payments by the Authority to a developer on a pay-go note will be contingent on the availability of TIF revenues. The Developer, not the City, will carry the risk that TIF revenues will not be sufficient to cover the pay-go note. Failure by the Authority to make payments because of insufficient TIF revenues does not constitute a default. A pay-go note does not constitute a general obligation of the municipality and is not included when calculating debt limits.

The Authority may loan or advance money from its general fund or any other fund it has legal authority to use to finance qualifying TIF expenditures, such as costs of administering the TIF District. An interfund loan or advance is defined in the TIF Act as a bond or a qualifying obligation. Before money is transferred, advanced, or spent, the loan or advance must be authorized by resolution of the Authority. For the loan or advance to be repaid with TIF revenues, an interfund loan agreement must be in place before any loans or advances are made. The terms and conditions for repayment of the loan must be in writing and include, at minimum, (i) the principal amount of the loan or advance, (ii) the interest rate to be charged, and (iii) its maximum term. The maximum rate of interest that can be charged is limited to the annual rate charged by the state courts or by the Department of Revenue, whichever is greater.

#### 4.04.7 *Duration of TIF District*

The TIF Act allows tax increments to be collected from the TIF District for a period not to exceed eight (8) years from the date of receipt of the first tax increment. The Authority reserves the right to collect tax increments for this period to undertake additional eligible activities within the TIF District and the Redevelopment Project.

Under the current schedule for development, the first tax increment is estimated to be collected in 2016 (construction completed in 2014) creating the authority to collect tax increments through 2024. The Authority expects to request decertification of the TIF District after reimbursement of all eligible public costs and administrative expense but no later than after the final receipt of taxes payable estimated to occur in 2024 or no later than 8 years after the first year of tax increment collection.

**4.04.8 Estimated Impact on Other Taxing Jurisdictions**

Exhibits III and IV show the estimated impact on other taxing jurisdictions if the maximum projected retained captured net tax capacity of the TIF District was hypothetically available to the other taxing jurisdictions. The Authority believes that there will be no adverse impact on other taxing jurisdictions during the life of the TIF District, since the proposed development would not have occurred without the establishment of the TIF District and the provision of public assistance. A positive impact on other taxing jurisdictions will occur when the TIF District is decertified and the development therein becomes part of the general tax base.

The Authority anticipates minimal impact of the proposed development on city-provided services. A slight increase in water and sewer usage is expected. It is anticipated that there may be a slight but manageable increase in police and fire protection duties due to the development.

**4.04.9 Prior Planned Improvements**

There have been no building permits issued in the last 18 months in conjunction with any of the properties within the TIF District. The Authority will include this statement with the request for certification to the County Auditor. If building permits had been issued during this time period, then the County Auditor would increase the original net tax capacity of the TIF District by the net tax capacity of each improvement for which a building permit was issued.

**ARTICLE V – ADMINISTERING THE TIF DISTRICT**

**SECTION 5.01 FILING AND CERTIFICATION**

The filing and certification of the TIF Plan consists of the following steps:

1. Upon adoption of the TIF Plan, the Authority shall submit a copy of the TIF Plan to the Minnesota Department of Revenue and the Office of the State Auditor.
2. The Authority shall request that the County Auditor certify the original net tax capacity and net tax capacity rate of the TIF District. To assist the County Auditor in this process, the Authority shall submit copies of the TIF Plan, the resolution establishing the TIF District and adopting the TIF Plan, and a listing of any prior planned improvements.
3. The Authority shall send the County Assessor any assessment agreement establishing the minimum market value of land and improvements in the TIF District, and shall request that the County Assessor review and certify this assessment agreement as reasonable.

**SECTION 5.02 MODIFICATIONS OF THE TAX INCREMENT FINANCING PLAN**

The City and the Authority reserves the right to modify the TIF District and the TIF Plan. Under current State Law, the following actions can only be approved only after satisfying all the necessary requirements for approval of the original TIF Plan (including notifications and public hearing):

- Reduction or enlargement in the geographic area of the Development District or the TIF District.
- Increase in the amount of bonded indebtedness to be incurred.
- Increase in the amount of capitalized interest.
- Increase in that portion of the captured net tax capacity to be retained by the City.
- Increase in the total estimated public costs.

- Designation of additional property to be acquired by the Authority.

Other modifications can be made by resolution of the City Council and the Authority. In addition, the original approval process does not apply if (1) the only modification is elimination of parcels from the TIF District and (2) the current net tax capacity of the parcels eliminated equals or exceeds the net tax capacity of those parcels in the TIF District's original net tax capacity, or the Authority agrees that the TIF District's original net tax capacity will be reduced by no more than the current net tax capacity of the parcels eliminated.

The Authority must notify the County Auditor of any modification that reduces or enlarges the geographic area of the TIF District. The geographic area of the TIF District may be reduced but not enlarged after five years following the date of certification.

### **SECTION 5.03 4-YEAR KNOCKDOWN RULE**

The 4-Year Knockdown Rule requires that if after four years from certification of the TIF District no demolition, rehabilitation, renovation or site improvement, including a qualified improvement of an adjacent street, has commenced on a parcel located within the TIF District, then that parcel shall be excluded from the TIF District and the original net tax capacity shall be adjusted accordingly. Qualified improvements of a street are limited to construction or opening of a new street, relocation of a street, or substantial reconstruction or rebuilding of an existing street. The Authority must submit to the County Auditor, by February 1 of the fifth year, evidence that the required activity has taken place for each parcel in the TIF District.

If a parcel is excluded from the TIF District and the Authority or the owner of the parcel subsequently commences any of the above activities, the Authority shall certify to the County Auditor that such activity has commenced and the parcel shall once again be included in the TIF District. The County Auditor shall certify the net tax capacity of the parcel, as most recently certified by the Commissioner of Revenue, and add such amount to the original net tax capacity of the TIF District.

### **SECTION 5.04 POOLING/5-YEAR RULE**

At least 80% of the tax increments (net of administrative expenses) from this TIF District (the "In-District Percentage") must be expended on activities within the TIF District, including payment on any bonds for which the proceeds were used to finance activities within the TIF District. Up to 20% of the tax increments from this TIF District may be used to finance activities outside the TIF District but within the Development District. ) All administrative expenses are for activities outside of the district, except that if the only expenses for activities outside of the district are for the purposes described in Minnesota Statute, 469.1763, Subd. 2(d).

Tax increments are considered to have been "spent" within the TIF District if such amounts are:

- actually paid to a third party for activities performed within the TIF District within five years after certification of the district;
- used to pay bonds that were issued and sold to a third party, the proceeds of which are reasonably expected on the date of issuance to be spent within the later of the five-year period or a reasonable temporary period or are deposited in a reasonably required reserve or replacement fund.
- used to make payments or reimbursements to a third party under binding contracts for activities performed within the TIF District, which were entered into within five years after certification of the district; or
- used to reimburse a party for payment of eligible costs (including interest) incurred within five years from certification of the district; or

- in the case of a housing district, used for a housing project, as defined in section 469.174, subdivision 11.

Beginning with the sixth year after certification of the TIF District, if the tax increments actually received by the Authority representing the In-District Percentage exceed the amounts considered "spent" within the TIF District, the excess must be used or set aside to pay or defease bonds (as described above) or to make payments under contracts (as described above). The TIF District must be decertified when the Authority has received tax increments representing the In-District Percentage in an amount sufficient to fully pay its in-district obligations (i.e., defease any bonds and/or fulfill all contractual obligations).

It is anticipated that all tax increments collected in the TIF District will spent or obligated within this time period. Unless the TIF Plan is modified within this five-year period and additional expenditures are authorized, tax increments will only be used to pay for authorized redevelopment costs and administrative expenses.

### **SECTION 5.05 FINANCIAL REPORTING AND DISCLOSURE REQUIREMENTS**

The Authority will comply with the annual reporting requirements of State Law pursuant to the guidelines of the Office of the State Auditor. Under current law, the Authority must prepare and submit a report on the TIF district on or before August 1 of each year. The Authority must also annually publish in a newspaper of general circulation in the City an annual statement for each tax increment financing district.

The reporting and disclosure requirements outlined in this section begin with the year the district was certified, and shall end in the year in which both the district has been decertified and all tax increments have been spent or returned to the county for redistribution. Failure to meet these requirements, as determined by the State Auditors Office, may result in suspension of distribution of tax increment.

### **SECTION 5.06 BUSINESS SUBSIDY COMPLIANCE**

The Authority will comply with the business subsidies requirements specified in Minnesota Statutes, Sections 116J.993 to 116J.995.

**Exhibit I**

**City of Mountain Lake  
Tax Increment Financing District No. 1-6  
Present Value Analysis As Required By  
Minnesota Statutes 469.175(3)(2)  
Mt Power Hydraulics**

1	Estimated Future Market Value w/ Tax Increment Financing	2,149,070
2	Payable 2013 Market Value	<u>10,000</u>
3	Market Value Increase (1-2)	2,139,070
4	Present Value of Future Tax Increments	<u>399,322</u>
5	Market Value Increase Less PV of Tax Increments	1,739,747
6	Estimated Future Market Value w/o Tax Increment Financing	13,425 <sup>1</sup>
7	Payable 2013 Market Value	<u>10,000</u>
8	Market Value Increase (6-7)	<u>3,425</u>
9	Increase in MV From TIF	<u><u>1,736,323</u></u> <sup>2</sup>

<sup>1</sup> Assume 3.75% annual appreciation over 8 year life of district.

<sup>2</sup> Statutory compliance achieved if increase in market value from TIF (Line 9) is greater than or equal to zero.

TAX INCREMENT FINANCING (ECONOMIC DEVELOPMENT) DISTRICT NO. 1-6

**Exhibit II**  
**City of Mountain Lake**  
**Tax Increment Financing District No. 1-6**  
**Projected Tax Increment**  
**Mt Power Hydraulics**

TIF District	Year	Taxes Payable Year	New Tax Capacity <sub>1</sub>	Base Tax Capacity	Captured Tax Capacity	Assumed Original Tax Rate	100.00% Estimated Tax Increment	2.50% City Admin.	0.36% State Auditor Deduct.	Available Net Annual Tax Increment	Total PV of Net Available TIF 4.00%
1	2015	2016	31,267	(150)	31,117	153.295%	47,700	(1,193)	(172)	46,336	44,834
2	2016	2017	32,439	(150)	32,289	153.295%	49,498	(1,233)	(178)	48,087	89,555
3	2017	2018	33,656	(150)	33,506	153.295%	51,362	(1,279)	(185)	49,898	134,158
4	2018	2019	34,918	(150)	34,768	153.295%	53,297	(1,328)	(192)	51,778	178,645
5	2019	2020	36,227	(150)	36,077	153.295%	55,304	(1,378)	(199)	53,727	223,014
6	2020	2021	37,586	(150)	37,436	153.295%	57,387	(1,430)	(207)	55,751	267,266
7	2021	2022	38,995	(150)	38,845	153.295%	59,548	(1,483)	(214)	57,850	311,402
8	2022	2023	40,457	(150)	40,307	153.295%	61,789	(1,539)	(222)	60,027	355,421
9	2023	2024	41,975	(150)	41,825	153.295%	64,115	(1,597)	(231)	62,287	399,322
<b>TOTAL =</b>							<b>500,000</b>	<b>(12,459)</b>	<b>(1,800)</b>	<b>485,741</b>	

**Key Assumptions**

- 1 Base value annual growth assumption = 3.75%
- 2 Property Tax rate from County = Pay 2013
- 3 Base Value = \$10,000 (land only)
- 4 New Value = \$1,600,832 (includes land and building, preliminary estimate for draft TIF Plan)
- 5 Present value is based on semi-annual payments.
- 6 Cash flow assumes 2.5% for City Admin., however, the City reserves the right to retain up to 10% of tax increment as provided in the budget.

**Exhibit III**  
**City of Mountain Lake**  
**Tax Increment Financing District No. 1-6**  
**Impact on Other Taxing Jurisdictions**  
**(Taxes Payable 2013)**  
**Mt Power Hydraulics**

**ANNUAL TAX INCREMENT**

Estimated Annual Captured Tax Capacity (Full Development)	\$41,825
Payable 2013 Local Tax Rate	<u>153.295%</u>
Estimated Annual Tax Increment	\$64,115

**Percent of Tax Base**

	<b>Net Tax Capacity (NTC)</b>	<b>Captured Tax Capacity</b>	<b>Percent of Total NTC</b>
City of Mountain Lake	496,493	41,825	8.42%
Cottonwod County	21,977,564	41,825	0.19%
ISD 173	4,751,548	41,825	0.88%

**Dollar Impact of Affected Taxing Jurisdictions**

	<b>Net Tax Capacity (NTC)</b>	<b>% of Total</b>	<b>Tax Increment Share</b>	<b>Added Local Tax Rate</b>
City of Mountain Lake	118.426%	77.254%	49,531	9.976%
Cottonwod County	33.847%	22.080%	14,156	0.064%
ISD 173	0.868%	0.566%	363	0.008%
Other	0.154%	0.100%	64	
Totals	<u>153.295%</u>	<u>100.000%</u>	<u>64,114</u>	

*NOTE NO. 1: Assuming that ALL of the captured tax capacity would be available to all taxing jurisdictions even if the City does not create the Tax Increment District, the creation of the District will reduce tax capacities and increase the local tax rate as illustrated in the above tables.*

*NOTE NO. 2: Assuming that NONE of the captured tax capacity would be available to the taxing jurisdiction if the City did not create the Tax Increment District, then the plan has virtually no initial effect on the tax capacities of the taxing jurisdictions. However, once the District is established, allowable costs paid from the increments, and the District is terminated, all taxing jurisdictions will experience an increase in their tax base.*

TAX INCREMENT FINANCING (ECONOMIC DEVELOPMENT) DISTRICT NO. 1-6

Exhibit IV

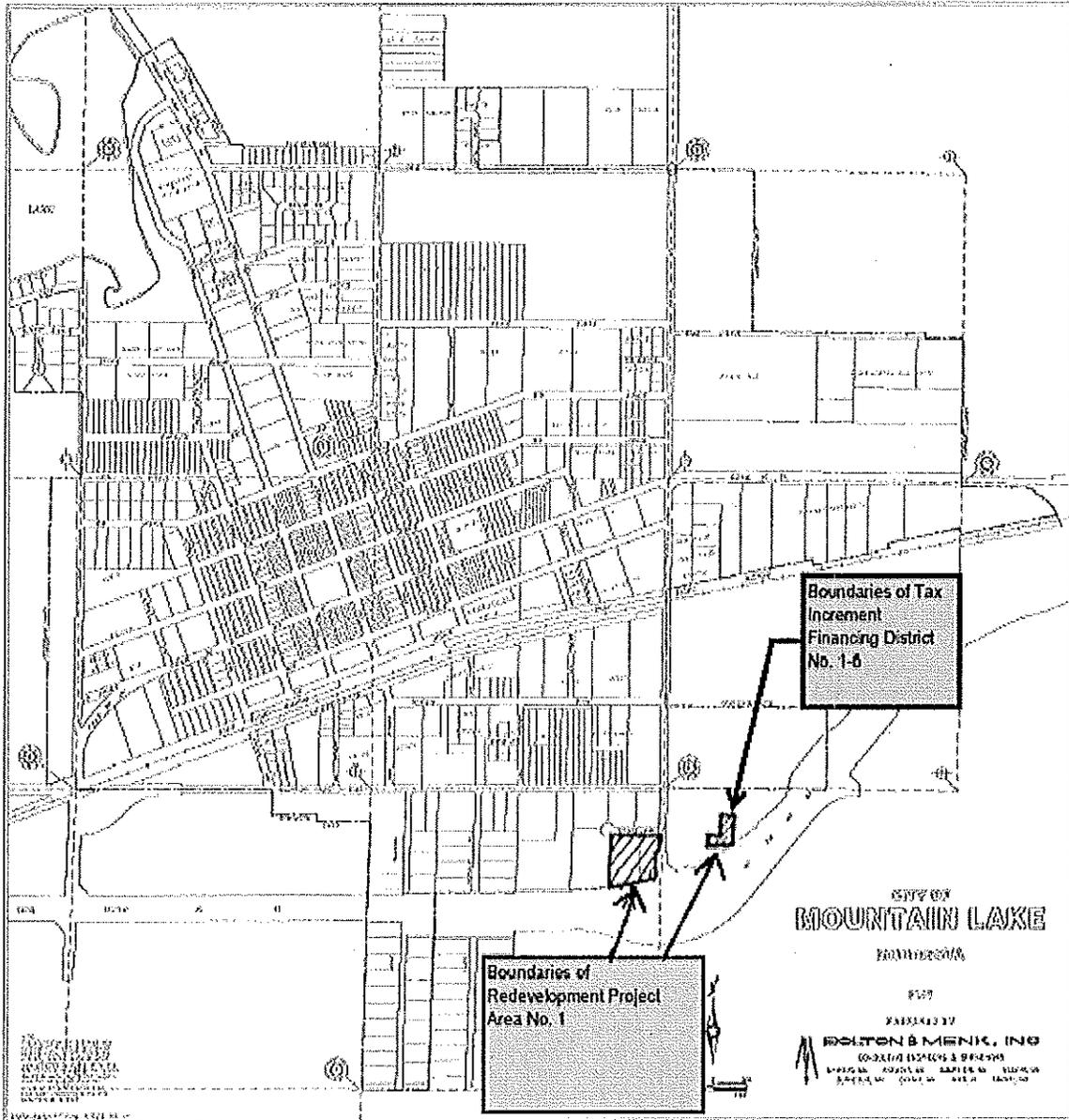
City of Mountain Lake  
 Tax Increment Financing District No. 1-6  
 Estimated Tax Increments Over Maximum Life of District  
 Mt Power Hydraulics

Based on Pay 2013 Tax Rate = 153.295% 118.426% 33.847% 0.868% 0.154%

TIF District Year	Taxes Payable Year	New Tax Capacity	Base Tax Capacity	Captured Tax Capacity	Estimated Total Tax Increment	City TIF Related Share	County TIF Related Share	School TIF Related Share	Other TIF Related Share
1	2016	31,267	(150)	31,117	47,700	36,850	10,532	270	48
2	2017	32,439	(150)	32,289	49,498	38,239	10,929	280	50
3	2018	33,656	(150)	33,506	51,362	39,679	11,341	291	51
4	2019	34,918	(150)	34,768	53,297	41,174	11,768	302	53
5	2020	36,227	(150)	36,077	55,304	42,725	12,211	313	55
6	2021	37,586	(150)	37,436	57,387	44,334	12,671	325	57
7	2022	38,995	(150)	38,845	59,548	46,003	13,148	337	60
8	2023	40,457	(150)	40,307	61,789	47,734	13,643	350	62
9	2024	41,975	(150)	41,825	64,115	49,531	14,156	363	65
Total					500,000	386,269	110,399	2,831	501

Exhibit V

Boundaries of Redevelopment Project Area No. 1 and Tax Increment Financing District No. 1-6



Note: The Project Area is inclusive of the area within Tax Increment Financing District No. 1-5 and Tax Increment Financing District No. 6. The boundaries of Redevelopment Project Area No. 1 was originally established on August 19, 2013, to be inclusive of the boundaries of Tax Increment Financing District No. 1-5. The boundaries is modified to include the boundaries of Tax Increment Financing District No. 1-6. The modified boundaries of Redevelopment Project Area No. 1 is not contiguous. The Project Area includes all adjacent roadways, rights-of-way and other areas wherein will be installed or upgraded the various public improvements necessary for and part of the overall project.

EXTRACT OF MINUTES OF A MEETING OF THE  
CITY COUNCIL OF THE CITY  
OF MOUNTAIN LAKE, MINNESOTA

HELD: January 6, 2014

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Mountain Lake, Cottonwood County, Minnesota was duly called and held on the 6<sup>th</sup> day of January, 2014, at 6:30 p.m.

The following members of the Council were present:

and the following were absent:

Councilmember \_\_\_\_\_ introduced the following resolution and moved its adoption:

RESOLUTION \_\_\_\_\_

RESOLUTION APPROVING MODIFIED REDEVELOPMENT PROJECT NO. 1 AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 1-6 WITHIN REDEVELOPMENT PROJECT NO. 1 AND APPROVING THE ADOPTION OF THE MODIFIED REDEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN RELATING THERETO

A. WHEREAS, it has been proposed that the City of Mountain Lake, Minnesota, (the "City") approve the Modified Redevelopment Project No. 1 (the "Redevelopment Project"); approve and accept the Modified Redevelopment Plan for the Redevelopment Project (the "Redevelopment Plan"); establish Tax Increment Financing District No. 1-6 therein (the "TIF District"); and approve and accept the proposed Tax Increment Financing Plan therefor (the "TIF Plan"), all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.001 through 469.068, inclusive, as amended, Minnesota Sections 469.174 to 469.1794, inclusive, as amended, (collectively, the "Act"), and Minnesota Sections 469.090 to 469.1082, inclusive, as amended; and

B. WHEREAS, the proposed Redevelopment Plan and the proposed TIF Plan (together, the "Plans") have been prepared and are contained in that certain document entitled in part "Modified Redevelopment Plan for Modified Redevelopment Project No. 1 and Tax Increment Financing Plan for Tax Increment Financing (Economic Development) District No. 1-6" ("Mountain Power Hydraulics") and presented for the Board's consideration and approval; and

C. WHEREAS, the Mountain Lake Economic Development Authority (the "Authority") shall meet on Friday, January 10, 2014, to hold a public hearing on the adoption of a modification to Economic Development District No. 1 pursuant to Minnesota Statutes, Section 469.090 through 469.1082, inclusive, as amended; and

D. WHEREAS, the City has performed all actions required by law to be performed prior to the City's adoption of the Redevelopment Project and the establishment of the TIF District therein, and the adoption of the Redevelopment Plan and TIF Plan therefor, including, but not limited to, notification of Cottonwood County and Independent School District No. 173 having taxing jurisdiction over the property to be included in the TIF District and the holding of a public hearing, including for the business subsidy, upon published and mailed notice as required by law; and

E. WHEREAS, certain written reports (the "Reports") relating to the Plans and to the activities contemplated therein have heretofore been prepared by staff and submitted to the Board and/or made a part of the City or Authority files and proceedings on the Plans. The Reports include data, information and/or substantiation constituting or relating to (1) the "studies and analyses" on why the new TIF District meets the so-called "but for" test and the tests for establishing a economic development tax increment financing district under the Act and (2) the basis for the other findings and determinations made in this Resolution. The City Council hereby confirms, ratifies and adopts the Reports, which are hereby incorporated into and made as fully a part of this resolution to the same extent as if set forth in full herein; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Mountain Lake as follows:

1. Redevelopment Plan Findings. The City Council finds, determines and declares that with respect to the Redevelopment Plan:

(a) That the land in the Redevelopment Project would not be made available for redevelopment without the financial aid to be sought.

(b) That the Redevelopment Plan will afford maximum opportunity, consistent with the needs of the City as a whole, for the redevelopment of the Redevelopment Project and adjacent areas by private enterprise;

(c) That the Redevelopment Plan conforms to the general plan for the development or redevelopment of the City as a whole, and the anticipated development is in furtherance of long range plans of the City for that area; and

(d) That the Redevelopment Plan is intended and, in the judgment of the Authority, its effect will be, to promote the public purposes and accomplish the objectives specified in the Redevelopment Plan for the Redevelopment Project.

2. Redevelopment Project No. 1. There is hereby established in the City Redevelopment Project No. 1, the modified boundaries of which are fixed and determined as described in the Redevelopment Plan.

3. Redevelopment Plan. The Redevelopment Plan, as modified, for Redevelopment Project No. 1, is adopted as the Redevelopment Plan for Redevelopment Project No. 1.

4. Tax Increment Financing District No. 1-6. There is hereby established in the City within Redevelopment Project No. 1, Tax Increment Financing District No. 1-6, the initial boundaries of which are fixed and determined as described in the TIF Plan.

5. Tax Increment Financing Plan. The TIF Plan is hereby approved and adopted as the TIF Plan for the TIF District, and the Board makes the following findings:

(a) The TIF District is an economic development district as defined in Minnesota Statutes, Section 469.174, Subd. 12, and development in the TIF District will result in increased employment in the State and the preservation and enhancement of the tax base of the State.

(b) Development in the TIF District will create or retain jobs in this state, including construction jobs, through the construction of commercial and industrial improvements in the TIF District.

(c) The proposed development, in the opinion of the City Council, would not occur solely through private investment. The reasons supporting this finding are that:

i. The need for the use of tax increment financing has been determined in negotiations with the tenant of the project. The tenant has provided supporting materials to attest to inability to enter into agreement with the Authority without the assistance for the development. The Authority will finance and construct a manufacturing facility to be leased to a private tenant. The extraordinary cost of the facility results in lease payments which have proven to be prohibitive. Therefore, tax increments are needed together with the lease payments to finance the facility.

ii. The proposed project will allow an existing business operating within the City to relocate a manufacturing facility from an adjacent state and expand within the City. The proposed development consists of the construction of an approximately 40,000 square foot manufacturing facility on property within the City. Retaining this business and related jobs in the City is important to the economic future of the community.

iii. Private investment will not finance these development activities because of the prohibitive costs of the underlying infrastructure. It is necessary to finance a portion of these costs through the use of tax increment financing.

iv. A comparative analysis of estimated market values both with and without establishment of the TIF District and the use of tax increments has been performed as described above. Such analysis is found in Exhibit I of the TIF Plan, and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the TIF District and the use of tax increments.

v. In the opinion of the City Council, the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan. The reasons supporting this finding can be found in Exhibit I of the TIF Plan.

(d) The TIF Plan for the TIF District conforms to the general plan for development of the City as a whole.

The reasons for supporting this finding are that:

- i. The TIF District is properly zoned.
- ii. The TIF Plan will generally complement and serve to implement policies adopted by the Authority.

(e) The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Redevelopment Project by private enterprise.

The reasons supporting this finding are that the development activities are necessary so that development and redevelopment by private enterprise can occur within the Redevelopment Project.

6. Public Purpose. The adoption of the Redevelopment Plan, as modified, for the Redevelopment Project and the adoption of the TIF Plan for the TIF District therein conform in all respects to the requirements of the Act and will help fulfill a need to develop an area of the State which is underused to help improve the tax base and to improve the general economy of the State and thereby serves a public purpose.

7. Certification. Upon approval of the Plans by the City Council following its public hearing thereon, staff of the Authority shall request the Auditor of Cottonwood County to certify the original net tax capacity of the TIF District as described in the TIF Plan, and to certify in each year thereafter the amount by which the original net tax capacity has increased or decreased in accordance with the Act; and the City Administrator-Clerk is authorized and directed to forthwith transmit this request to the County Auditor in such form and content as the Auditor may specify, together with a list of all properties with the TIF District for which building permits have been issued during the 18 months immediately preceding the adoption of this Resolution.

8. Filing. The City Administrator-Clerk is further authorized and directed to file a copy of the Redevelopment Plan and Tax Increment Financing Plan for Tax Increment Financing District No. 1-6 with the Commissioner of Revenue and the Office of the State Auditor.

9. Administration. The administration of the Redevelopment Project is assigned to the City Administrator-Clerk who shall from time to time be granted such powers and duties pursuant to Minnesota Statutes, Sections 469.130 and 469.131 as the City Council may deem appropriate.

The motion for the adoption of the foregoing resolution was duly seconded by councilmember \_\_\_\_\_ and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA  
COUNTY OF COTTONWOOD  
CITY OF MOUNTAIN LAKE

I, the undersigned, being the duly qualified and acting Administrator-Clerk of the City of Mountain Lake, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to the modification of Redevelopment Project No. 1 and establishment of Tax Increment Financing District No. 1-6 therein in the City.

WITNESS my hand this \_\_\_\_ day of January, 2014.

\_\_\_\_\_  
City Administrator-Clerk



**PARTIAL PAY ESTIMATE NO.**

13

2012-2013 Infrastructure Improvements  
Mountain Lake, Minnesota

BMI PROJECT NO. S14.100679

FILENAME: H:\MTL\KS14100679\Excel\100679 Quant.xls\Partial Pay Est. #13A

WORK COMPLETED THROUGH DECEMBER 24, 2013

BID ITEM NO.	ITEM DESCRIPTION	CONTRACT PRICES			WORK COMPLETED PREVIOUS ESTIMATE			WORK COMPLETED JOB-TO-DATE			
		UNIT PRICE	QNTY	UNIT	AMOUNT	QNTY	UNIT	AMOUNT	QNTY	UNIT	AMOUNT
	<b>SURFACE</b>										
1	Mobilization & Traffic Control	\$145,000.00	1	Lump Sum	\$145,000.00	0.88	Lump Sum	\$127,600.00	0.88	Lump Sum	\$127,600.00
2	Clearing & Grubbing	\$400.00	10	Each	\$4,000.00	0	Each	\$0.00	0	Each	\$0.00
3	Salvage & Reinstall Fence	\$15.00	100	Linear Foot	\$1,500.00	0	Linear Foot	\$0.00	0	Linear Foot	\$0.00
4	Salvage & Reinstall Landscaping	\$350.00	4	Each	\$1,400.00	0	Each	\$0.00	0	Each	\$0.00
5	Remove Curb and Gutter	\$2.00	33,800	Linear Foot	\$67,600.00	33,995	Linear Foot	\$67,990.00	33,995	Linear Foot	\$67,990.00
6	Remove Concrete Walk	\$0.55	21,720	Square Foot	\$11,946.00	18,984	Square Foot	\$10,441.20	18,984	Square Foot	\$10,441.20
7	Remove Concrete Driveway Pavement	\$0.60	37,000	Square Foot	\$22,200.00	31,404	Square Foot	\$18,842.40	31,404	Square Foot	\$18,842.40
8	Remove Concrete Pavement with Rebar (7" +/-)	\$1.00	500	Square Yard	\$500.00	577	Square Yard	\$577.00	577	Square Yard	\$577.00
9	Common Excavation (EV) (P)	\$14.50	59,885	Cubic Yard	\$868,332.50	60,399	Cubic Yard	\$875,785.50	60,399	Cubic Yard	\$875,785.50
10	Contaminated Soil - Excavation & Disposal (LV)	\$38.00	200	Cubic Yard	\$7,600.00	27	Cubic Yard	\$1,026.00	27	Cubic Yard	\$1,026.00
11	Subgrade Excavation (EV)	\$9.00	1,000	Cubic Yard	\$9,000.00	1,463	Cubic Yard	\$13,167.00	1,463	Cubic Yard	\$13,167.00
12	Subgrade Correction (CV)	\$7.00	1,000	Cubic Yard	\$7,000.00	1,463	Cubic Yard	\$10,241.00	1,463	Cubic Yard	\$10,241.00
13	Topsoil Borrow (LV)	\$0.01	5,970	Cubic Yard	\$59.70	2,697	Cubic Yard	\$26.97	4,407	Cubic Yard	\$44.07
14	Salvage Aggregate From Stockpile (CV)	\$4.00	40,010	Ton	\$160,040.00	37,896	Ton	\$151,584.00	37,902	Ton	\$151,608.00
15	Geotextile Fabric, Type V	\$1.75	98,100	Square Yard	\$171,675.00	92,645	Square Yard	\$162,128.75	94,818	Square Yard	\$165,931.50
16	Aggregate Base, Class 5 (CV)	\$15.80	46,000	Ton	\$726,800.00	47,999	Ton	\$758,384.20	47,999	Ton	\$758,384.20
17	Type SP 9.5 Wearing Course Mixture (SPWEA240B)	\$81.00	7,960	Ton	\$644,760.00	270	Ton	\$21,870.00	270	Ton	\$21,870.00
18	Type SP 12.5 Non-Wearing Course Mixture (SPNWB230B)	\$79.00	11,180	Ton	\$883,220.00	11,631	Ton	\$918,849.00	11,631	Ton	\$918,849.00
19	Common Laborers	\$62.00	100	Hour	\$6,200.00	69	Hour	\$4,278.00	69	Hour	\$4,278.00
20	3 Cu Yd Shovel	\$145.00	50	Hour	\$7,250.00	26	Hour	\$3,770.00	17	Hour	\$2,465.00
21	Dozer	\$105.00	50	Hour	\$5,250.00	24	Hour	\$2,520.00	24	Hour	\$2,520.00
22	10 Cu Yd Truck	\$90.00	50	Hour	\$4,500.00	14	Hour	\$1,260.00	14	Hour	\$1,260.00
23	4.0 Cu Yd Front End Loader	\$140.00	50	Hour	\$7,000.00	14	Hour	\$1,960.00	14	Hour	\$1,960.00
24	1/2 Cu Yd Skid Loader	\$95.00	50	Hour	\$4,750.00	20	Hour	\$1,900.00	21	Hour	\$1,995.00
25	4" Concrete Walk	\$4.30	17,000	Square Foot	\$73,100.00	7,963	Square Foot	\$34,240.90	7,963	Square Foot	\$34,240.90
26	Commercial Walk	\$5.56	4,720	Square Foot	\$26,243.20	5,876	Square Foot	\$32,670.56	5,876	Square Foot	\$32,670.56
27	Salvage & Reinstall Brick Pavers	\$8.00	180	Square Foot	\$1,440.00	0	Square Foot	\$0.00	0	Square Foot	\$0.00
28	Construct 2x4 Truncated Domes	\$240.00	15	Each	\$3,600.00	12	Each	\$2,880.00	12	Each	\$2,880.00
29	Concrete Curb and Gutter, Design B618	\$9.20	37,800	Linear Foot	\$347,760.00	37,729	Linear Foot	\$347,106.80	37,729	Linear Foot	\$347,106.80
30	7" Concrete Driveway Pavement	\$5.36	37,000	Square Foot	\$198,320.00	57,660	Square Foot	\$309,057.60	57,660	Square Foot	\$309,057.60

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**PARTIAL PAY ESTIMATE NO.**

2012-2013 Infrastructure Improvements  
Mountain Lake, Minnesota

BMI PROJECT NO. S14.100679

FILENAME: H:\M\TK\S14100679\Excel\100679 Quant.xls Partial Pay Est. #13A  
WORK COMPLETED THROUGH DECEMBER 24, 2013

BID ITEM NO.	ITEM DESCRIPTION	CONTRACT PRICES			WORK COMPLETED PREVIOUS ESTIMATE			WORK COMPLETED JOB-TO-DATE			
		UNIT PRICE	QNTY	UNIT	AMOUNT	QNTY	UNIT	AMOUNT	QNTY	UNIT	AMOUNT
31	Concrete Valley Gutter	\$30.00	300	Linear Foot	\$9,000.00	232	Linear Foot	\$6,960.00	232	Linear Foot	\$6,960.00
32	6" Perforated Pipe Drain	\$5.75	38,575	Linear Foot	\$221,806.25	36,398	Linear Foot	\$209,288.50	36,398	Linear Foot	\$209,288.50
33	8" Perforated Pipe Drain	\$6.00	250	Linear Foot	\$1,500.00	254	Linear Foot	\$1,524.00	254	Linear Foot	\$1,524.00
34	4" PVC Sump Drain Line Services	\$125.00	150	Each	\$18,750.00	27	Each	\$3,375.00	33	Each	\$4,125.00
35	Adjust Frame & Ring Casting - Electrical	\$500.00	2	Each	\$1,000.00	0	Each	\$0.00	0	Each	\$0.00
36	Bioroll	\$2.50	1,800	Linear Foot	\$4,500.00	922	Linear Foot	\$2,305.00	922	Linear Foot	\$2,305.00
37	Erosion Control Blanket, Category 0	\$2.50	4,800	Square Yard	\$12,000.00	2,112	Square Yard	\$5,280.00	2,112	Square Yard	\$5,280.00
38	Inlet Protection	\$110.00	180	Each	\$19,800.00	135	Each	\$14,850.00	137	Each	\$15,070.00
39	Temporary Seeding	\$700.00	25.2	Acre	\$17,640.00	0	Acre	\$0.00	6	Acre	\$4,200.00
40	Permanent Seeding	\$1,000.00	25.2	Acre	\$25,200.00	9.5	Acre	\$9,500.00	9.5	Acre	\$9,500.00
	<b>STORM SEWER</b>										
41	Remove Storm Structure	\$132.00	101	Each	\$13,332.00	107	Each	\$14,124.00	107	Each	\$14,124.00
42	4"-10" Tile Repair	\$24.00	700	Linear Foot	\$16,800.00	813	Linear Foot	\$19,512.00	813	Linear Foot	\$19,512.00
43	12" Apron	\$560.00	2	Each	\$1,120.00	2	Each	\$1,120.00	2	Each	\$1,120.00
44	15" Apron	\$580.00	1	Each	\$580.00	1	Each	\$580.00	1	Each	\$580.00
44A	18" RC Pipe Sewer Apron	\$640.00	1	Each	\$640.00	1	Each	\$640.00	1	Each	\$640.00
45	36" Apron	\$980.00	1	Each	\$980.00	1	Each	\$980.00	1	Each	\$980.00
46	12" Pipe Sewer	\$32.00	3,781	Linear Foot	\$120,992.00	3,919	Linear Foot	\$125,408.00	3,952	Linear Foot	\$126,464.00
47	15" Pipe Sewer	\$33.00	2,220	Linear Foot	\$73,260.00	2,227	Linear Foot	\$73,491.00	2,308	Linear Foot	\$76,164.00
48	18" Pipe Sewer	\$37.00	2,398	Linear Foot	\$88,726.00	2,565	Linear Foot	\$94,905.00	2,565	Linear Foot	\$94,905.00
49	21" Pipe Sewer	\$41.00	1,175	Linear Foot	\$48,175.00	1,443	Linear Foot	\$59,163.00	1,460	Linear Foot	\$59,860.00
50	24" Pipe Sewer	\$47.00	1,048	Linear Foot	\$49,256.00	1,033	Linear Foot	\$48,551.00	1,033	Linear Foot	\$48,551.00
51	27" Pipe Sewer	\$56.00	440	Linear Foot	\$24,640.00	438	Linear Foot	\$24,528.00	438	Linear Foot	\$24,528.00
52	30" Pipe Sewer	\$65.00	500	Linear Foot	\$32,500.00	363	Linear Foot	\$23,595.00	363	Linear Foot	\$23,595.00
53	36" Pipe Sewer	\$82.00	1,005	Linear Foot	\$82,410.00	980	Linear Foot	\$80,360.00	974	Linear Foot	\$79,868.00
54	48" Pipe Sewer	\$100.00	860	Linear Foot	\$86,000.00	858	Linear Foot	\$85,800.00	858	Linear Foot	\$85,800.00
55	Construct Drainage Structure, Design R-1	\$260.00	662.9	Linear Foot	\$172,354.00	609	Linear Foot	\$158,340.00	634	Linear Foot	\$164,840.00
56	Construct Drainage Structure, Design F	\$270.00	13.3	Linear Foot	\$3,591.00	0	Linear Foot	\$0.00	6	Linear Foot	\$1,620.00
57	Construct Drainage Structure, Design H	\$270.00	9.4	Linear Foot	\$2,538.00	15.3	Linear Foot	\$4,131.00	15.8	Linear Foot	\$4,266.00
58	Construct Drainage Structure Design SD-48	\$740.00	2.3	Linear Foot	\$1,702.00	0	Linear Foot	\$0.00	0	Linear Foot	\$0.00
59	Construct Drainage Structure, Design 48-4022	\$280.00	66.6	Linear Foot	\$18,648.00	44	Linear Foot	\$12,320.00	72	Linear Foot	\$20,160.00

**PARTIAL PAY ESTIMATE NO.**

13

2012-2013 Infrastructure Improvements  
Mountain Lake, Minnesota

BMI PROJECT NO. S14.100679

FILENAME: HAMTLKS14100679\Exec\100679\Quant.xls\Partial Pay Est. #13A.

WORK COMPLETED THROUGH DECEMBER 24, 2013

BID ITEM NO.	ITEM DESCRIPTION	CONTRACT PRICES			WORK COMPLETED PREVIOUS ESTIMATE			WORK COMPLETED JOB-TO-DATE			
		UNIT PRICE	QNTY	UNIT	AMOUNT	QNTY	UNIT	AMOUNT	QNTY	UNIT	AMOUNT
60	Construct Drainage Structure, Design 48-4020	\$400.00	185.6	Linear Foot	\$74,240.00	182	Linear Foot	\$72,800.00	182	Linear Foot	\$72,800.00
61	Construct Drainage Structure, Design 54-4020	\$420.00	19.0	Linear Foot	\$7,980.00	15	Linear Foot	\$6,300.00	15	Linear Foot	\$6,300.00
62	Construct Drainage Structure, Design 60-4022	\$490.00	6.1	Linear Foot	\$2,989.00	0	Linear Foot	\$0.00	0	Linear Foot	\$0.00
63	Construct Drainage Structure, Design 60-4020	\$430.00	7.6	Linear Foot	\$3,258.00	6	Linear Foot	\$2,580.00	6	Linear Foot	\$2,580.00
64	Construct Drainage Structure, Design 72-4020	\$510.00	124.7	Linear Foot	\$63,597.00	98	Linear Foot	\$49,980.00	98	Linear Foot	\$49,980.00
65	8" PVC SDR-26 Cleanout	\$140.00	5.5	Linear Foot	\$770.00	12.0	Linear Foot	\$1,680.00	12.0	Linear Foot	\$1,680.00
66	Random Riprap, Class 1	\$72.00	15	Cubic Yard	\$1,080.00	0	Cubic Yard	\$0.00	0	Cubic Yard	\$0.00
67	Random Riprap, Class 3	\$72.00	33	Cubic Yard	\$2,376.00	33	Cubic Yard	\$2,376.00	33	Cubic Yard	\$2,376.00
68	Salvage & Reinstall Casting - Storm	\$500.00	8	Each	\$4,000.00	8	Each	\$4,000.00	9	Each	\$4,500.00
69	Casting Assembly - Storm	\$340.00	172	Each	\$58,480.00	154	Each	\$52,360.00	154	Each	\$52,360.00
70	SANITARY SEWER										
70	Remove Sanitary Structure	\$120.00	62	Each	\$7,440.00	73	Each	\$8,760.00	73	Each	\$8,760.00
71	Remove Lift Station and Appurtenances	\$9,400.00	1	Lump Sum	\$9,400.00	1	Lump Sum	\$9,400.00	1	Lump Sum	\$9,400.00
72	4" Forcemain	\$58.00	10	Linear Foot	\$580.00	7	Linear Foot	\$406.00	7	Linear Foot	\$406.00
73	8" PVC Pipe Sewer, SDR 35	\$35.00	12,705	Linear Foot	\$444,675.00	12,804	Linear Foot	\$448,140.00	12,804	Linear Foot	\$448,140.00
74	8" PVC Pipe Sewer, SDR 26	\$45.00	375	Linear Foot	\$16,875.00	131	Linear Foot	\$5,895.00	131	Linear Foot	\$5,895.00
75	10" PVC Pipe Sewer, SDR 35	\$36.00	240	Linear Foot	\$8,640.00	735	Linear Foot	\$26,460.00	735	Linear Foot	\$26,460.00
76	12" PVC Pipe Sewer, SDR 35	\$40.00	6,020	Linear Foot	\$240,800.00	6,020	Linear Foot	\$240,800.00	6,020	Linear Foot	\$240,800.00
77	12" PVC Pipe Sewer, SDR 26	\$118.00	26	Linear Foot	\$3,068.00	0	Linear Foot	\$0.00	0	Linear Foot	\$0.00
78	15" PVC Pipe Sewer, SDR 35	\$44.00	3,120	Linear Foot	\$137,280.00	3,129	Linear Foot	\$137,676.00	3,129	Linear Foot	\$137,676.00
79	15" PVC Pipe Sewer, SDR 26	\$123.00	0	Linear Foot	\$0.00	0	Linear Foot	\$0.00	0	Linear Foot	\$0.00
80	4" PVC Pipe Sewer Service, SDR 26	\$17.00	13,900	Linear Foot	\$236,300.00	10,027	Linear Foot	\$170,459.00	10,132	Linear Foot	\$172,244.00
81	6" PVC Pipe Sewer Service, SDR 26	\$26.00	260	Linear Foot	\$6,760.00	643	Linear Foot	\$16,718.00	643	Linear Foot	\$16,718.00
82	8" x 4" PVC Wye Branch, SDR 26	\$115.00	223	Each	\$25,645.00	176	Each	\$20,240.00	176	Each	\$20,240.00
83	8" x 6" PVC Wye Branch, SDR 26	\$149.00	1	Each	\$149.00	6	Each	\$894.00	6	Each	\$894.00
84	8" x 8" PVC Wye Branch, SDR 26	\$260.00	2	Each	\$520.00	5	Each	\$1,300.00	5	Each	\$1,300.00
85	10" x 6" PVC Wye Branch, SDR-26 - CUT IN	\$1,200.00	1	Each	\$1,200.00	2	Each	\$2,400.00	2	Each	\$2,400.00
86	12" x 4" PVC Wye Branch, SDR 26	\$290.00	70	Each	\$20,300.00	63	Each	\$18,270.00	63	Each	\$18,270.00
87	12" x 6" PVC Wye Branch, SDR 26	\$310.00	2	Each	\$620.00	6	Each	\$1,860.00	6	Each	\$1,860.00
88	15"x4" PVC Wye Branch, SDR 26	\$350.00	40	Each	\$14,000.00	33	Each	\$11,550.00	33	Each	\$11,550.00
89	15" x 6" PVC Wye Branch, SDR 26	\$410.00	1	Each	\$410.00	2	Each	\$820.00	2	Each	\$820.00

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**PARTIAL PAY ESTIMATE NO.**

13

2012-2013 Infrastructure Improvements

Mountain Lake, Minnesota

BMI PROJECT NO. S14.100679

FILENAME: HAMTLK\S14100679\Excel\100679 Quant.xls\Partial Pay Est. #13A

WORK COMPLETED THROUGH DECEMBER 24, 2013

BID ITEM NO.	ITEM DESCRIPTION	CONTRACT PRICES			WORK COMPLETED			WORK COMPLETED			
		UNIT PRICE	QNTY	UNIT	AMOUNT	QNTY	UNIT	AMOUNT	QNTY	UNIT	AMOUNT
90	Construct Drainage Structure, Design 4007C	\$220.00	1,017.2	Linear Foot	\$223,784.00	806	Linear Foot	\$177,320.00	806	Linear Foot	\$177,320.00
91	Construct 8" PVC SDR-26 Outside Drop Structure & Granular Fill	\$230.00	35.3	Linear Foot	\$8,119.00	40.6	Linear Foot	\$9,338.00	40.6	Linear Foot	\$9,338.00
91-A	Construct 10" PVC SDR-26 Outside Drop Structure & Granular Fill	\$335.00	7.1	Linear Foot	\$2,378.50	6.90	Linear Foot	\$2,311.50	6.90	Linear Foot	\$2,311.50
92	Construct 12" PVC SDR-26 Outside Drop Structure & Granular Fill	\$440.00	0.0	Linear Foot	\$0.00	0	Linear Foot	\$0.00	0	Linear Foot	\$0.00
93	Televise Existing Sanitary Sewer Service	\$90.00	337	Each	\$30,330.00	223	Each	\$20,070.00	223	Each	\$20,070.00
94	Clean Existing Sanitary Sewer Service	\$90.00	50	Each	\$4,500.00	30	Each	\$2,700.00	30	Each	\$2,700.00
95	Casting Assembly - Sanitary	\$270.00	76	Each	\$20,520.00	72	Each	\$19,440.00	72	Each	\$19,440.00
96	Casting Assembly - Sanitary Adjustment	\$70.00	75	Each	\$5,250.00	3	Each	\$210.00	3	Each	\$210.00
96	Salvage & Reinstall Casting - Sanitary	\$500.00	2	Each	\$1,000.00	3	Each	\$1,500.00	3	Each	\$1,500.00
97	Coat Interior of Sanitary Sewer Manhole	\$51.00	233.4	Linear Foot	\$11,903.40	205	Linear Foot	\$10,455.00	205	Linear Foot	\$10,455.00
98	Flowable Fill	\$5.00	600	Linear Foot	\$3,000.00	493	Linear Foot	\$2,465.00	493	Linear Foot	\$2,465.00
99	Furnishing & Installation of New Submersible Pumps (Section 11311) and All Modifications to Wet Well as Shown on Drawing 2.02	\$31,000.00	1	Lump Sum	\$31,000.00	0.15	Lump Sum	\$4,650.00	0.15	Lump Sum	\$4,650.00
100	Furnishing and Installation of Lift Station Control Panels at Lift Stations 1, 3, 4, 5 and 6, and radio telemetry and SCADA Equipment and Modification to the Master Station at the Water Treatment Plant as Specified in Section 16950	\$260,000.00	1	Lump Sum	\$260,000.00	0	Lump Sum	\$0.00	0	Lump Sum	\$0.00
101	Furnishing a Trailer Mounted Portable Generator as Specified in Section 16622	\$51,000.00	1	Lump Sum	\$51,000.00	1	Lump Sum	\$51,000.00	1	Lump Sum	\$51,000.00
101-A	* Titan Alternate Accepted (\$66,000.00-\$15,000-\$51,000.00)	\$176,000.00	1	Lump Sum	\$176,000.00	0.75	Lump Sum	\$132,000.00	0.75	Lump Sum	\$132,000.00
<b>WATER SYSTEM</b>											
102	Remove & Salvage Hydrant	\$108.00	36	Each	\$3,888.00	35	Each	\$3,780.00	36	Each	\$3,888.00
103	Remove & Salvage Gate Valve & Box	\$72.00	2	Each	\$144.00	5	Each	\$360.00	5	Each	\$360.00
104	Remove Gate Valve & Box	\$72.00	53	Each	\$3,816.00	58	Each	\$4,176.00	59	Each	\$4,248.00
105	12" PVC C-900 Watermain	\$41.00	5,680	Linear Foot	\$232,880.00	5,653	Linear Foot	\$231,773.00	5,653	Linear Foot	\$231,773.00
106	10" PVC C-900 WMN, Restrained Joint	\$50.00	100	Linear Foot	\$5,000.00	100	Linear Foot	\$5,000.00	100	Linear Foot	\$5,000.00
107	10" PVC C-900 Watermain - With Nitrile Gaskets	\$44.00	100	Linear Foot	\$4,400.00	70	Linear Foot	\$3,080.00	70	Linear Foot	\$3,080.00
108	10" PVC C-900 Watermain	\$39.00	1,200	Linear Foot	\$46,800.00	1,205	Linear Foot	\$46,995.00	1,205	Linear Foot	\$46,995.00
109	8" PVC C-900 Watermain	\$30.00	11,200	Linear Foot	\$336,000.00	11,291	Linear Foot	\$338,730.00	11,291	Linear Foot	\$338,730.00
110	6" PVC C-900 Watermain	\$27.00	3,064	Linear Foot	\$82,728.00	2,963	Linear Foot	\$80,001.00	2,963	Linear Foot	\$80,001.00
111	6" PVC C-900 WMN, Restrained Joint - Trenchless Installation	\$59.00	683	Linear Foot	\$40,297.00	344	Linear Foot	\$20,296.00	344	Linear Foot	\$20,296.00
112	4" PVC C-900 Watermain	\$28.00	230	Linear Foot	\$6,440.00	94	Linear Foot	\$2,632.00	98	Linear Foot	\$2,744.00

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**PARTIAL PAY ESTIMATE NO.**

13

2012-2013 Infrastructure Improvements

Mountain Lake, Minnesota

BMI PROJECT NO. S14.100679

FILENAME: H:\M\TLK\S14100679\Excel\1100679 Quant.xls\Partial Pay Est. #13A

WORK COMPLETED THROUGH DECEMBER 24, 2013

BID ITEM NO.	ITEM DESCRIPTION	CONTRACT PRICES			WORK COMPLETED PREVIOUS ESTIMATE			WORK COMPLETED JOB-TO-DATE			
		UNIT PRICE	QNTY	UNIT	AMOUNT	QNTY	UNIT	AMOUNT	QNTY	UNIT	AMOUNT
113	20" Steel Casing, Jack & Auger	\$230.00	100	Linear Foot	\$23,000.00	100	Linear Foot	\$23,000.00	100	Linear Foot	\$23,000.00
114	12" Gate Valve & Box	\$3,000.00	16	Each	\$48,000.00	17	Each	\$51,000.00	17	Each	\$51,000.00
115	10" Gate Valve & Box	\$2,500.00	9	Each	\$22,500.00	7	Each	\$17,500.00	7	Each	\$17,500.00
116	8" Gate Valve & Box	\$1,900.00	49	Each	\$93,100.00	49	Each	\$93,100.00	49	Each	\$93,100.00
117	6" Gate Valve & Box	\$1,300.00	58	Each	\$75,400.00	59	Each	\$76,700.00	59	Each	\$76,700.00
118	4" Gate Valve & Box	\$1,100.00	12	Each	\$13,200.00	8	Each	\$8,800.00	8	Each	\$8,800.00
119	Hydrant - 8' Bury Depth	\$3,100.00	42	Each	\$130,200.00	42	Each	\$130,200.00	42	Each	\$130,200.00
120	4" Polystyrene Insulation	\$40.00	50	Square Yard	\$2,000.00	80	Square Yard	\$3,200.00	80	Square Yard	\$3,200.00
121	Temporary Water System	\$78,000.00	1	Lump Sum	\$78,000.00	1	Lump Sum	\$78,000.00	1	Lump Sum	\$78,000.00
122	Watermain Fittings (SBDI)	\$5.41	15,000	Pound	\$81,150.00	14,798	Pound	\$80,057.18	14,798	Pound	\$80,057.18
123	Adjust Frame & Ring Casting - Raw Watermain	\$500.00	1	Each	\$500.00	1	Each	\$500.00	1	Each	\$500.00
124	Adjust Gate Valve Box	\$300.00	7	Each	\$2,100.00	2	Each	\$600.00	2	Each	\$600.00
125	2" Corporation Stop & Saddle	\$410.00	2	Each	\$820.00	4	Each	\$1,640.00	4	Each	\$1,640.00
126	2" Curb Stop & Box	\$290.00	2	Each	\$580.00	4	Each	\$1,160.00	4	Each	\$1,160.00
127	2" Water Service	\$31.00	50	Linear Foot	\$1,550.00	208	Linear Foot	\$6,448.00	208	Linear Foot	\$6,448.00
128	1" Corporation Stop & Saddle	\$230.00	305	Each	\$70,150.00	263	Each	\$60,490.00	263	Each	\$60,490.00
129	1" Curb Stop & Box	\$160.00	304	Each	\$48,640.00	264	Each	\$42,240.00	264	Each	\$42,240.00
130	1" Water Service	\$20.00	11,000	Linear Foot	\$220,000.00	8,946	Linear Foot	\$178,920.00	8,946	Linear Foot	\$178,920.00
131	1" Water Service - Trenchless Installation	\$32.00	600	Linear Foot	\$19,200.00	496	Linear Foot	\$15,872.00	496	Linear Foot	\$15,872.00
<b>TOTAL AMOUNT:</b>					<b>\$9,502,196.55</b>			<b>\$8,314,621.06</b>			<b>\$8,345,030.91</b>

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# 2014 Designations and Appointments

## ELECTED OFFICIALS

Mayor Dean Janzen	Term ends 12/31/14
Council Member Andrew Ysker	Term ends 12/31/14
Council Member Brian Schultz	Term ends 12/31/14
Council Member David Savage	Term ends 12/31/16
Council Member Audi Nickel	Term ends 12/31/16

## ANNUAL DESIGNATIONS AND APPOINTMENTS

Street Department	*Dean Janzen
Acting Mayor	*Brian Schultz
Official Legal Publication	*Observer/Advocate
City Attorney	*Muske, Muske & Suhrhoff, Ltd.
City Forester and Weed Inspector	*Rick Oeltjenbruns
Emergency Management Director	*Douglas Bristol
Fire Chief	**Brian Janzen
Ambulance Corps Directors	*David Watkins
HIPAA Privacy Officer	*Wendy Meyer
Data Practices Compliance Officer	*Wendy Meyer
City Assessor	*Cottonwood County
Salary Negotiations	*Council
Official City Depository	*United Prairie Bank
	*Northland Securities

## BOARDS AND COMMISSIONS

### Library Board - 5 members, 3 year term

Margaret Hopwood	1/1/12 - 12/31/14
Marci Hernandez	1/1/13 - 12/31/15
Barrie Wright	1/1/13 - 12/31/15
*Diane Englin	1/1/14 - 12/31/16
**Vicki Krueger	1/1/14 - 12/31/16

### Utilities Commission - 5 members, 3 year term

Mark Langland	1/1/12 - 12/31/14
Open Seat	1/1/13 - 12/31/15
Brian Bargaen	1/1/13 - 12/31/15
John Carrison	1/1/13 - 12/31/15
**Mike Johnson	1/1/14 - 12/31/16
*David Savage, City Council Liaison	

**Planning and Zoning Commission – 7 members, 3 year term**

Shawn Hiebert 1/1/12 - 12/31/14  
Erland Braun 1/1/12 - 12/31/14  
Travis Smith 1/1/13 - 12/31/15  
Douglas Regehr 1/1/13 - 12/31/15  
\*Open Seat 1/1/13 - 12/31/15  
\*\* Nathan Harder 1/1/14 - 12/31/16  
\*Tim Janzen 1/1/14 - 12/31/16  
\*Steve Carson, Building Inspector  
\*Dean Janzen, Ex officio

**Housing and Redevelopment Authority – 5 members, 5 year term**

Gene Friesen 1/1/10 - 12/31/14  
Yvonne Hildebrandt 1/1/11 - 12/31/15  
Clara Johnson 1/1/12 - 12/31/16  
James Crawford 1/1/13 - 12/31/17  
\*Stan Schroeder 1/1/14 - 12/31/18

**Economic Development Authority – 7 members; appointed members, 6 year term;  
council representatives, 2 year term**

\*Dean Janzen, Council 1/1/13 - 12/31/14  
\*Audi Nickel, Council 1/1/13 - 12/31/14  
Vern Peterson 1/1/09 - 12/31/14  
Jerry Haberman 1/1/09 - 12/31/14  
Mark Hanson 1/1/11 - 12/31/16  
\*Brian Harder 1/1/13 - 12/31/18  
\*Steve Syverson 1/1/14 - 12/31/19  
\*Clara Johnson, Advisory  
\*Deb Englund

**Lake Commission – 7 members, 3 year term**

Jim Peterson 1/1/12 - 12/31/14  
Grég Hildebrandt 1/1/13 - 12/31/15  
Matt Anderson 1/1/13 - 12/31/15  
Jay Scheid 1/1/13 - 12/31/15  
David Bucklin 1/1/13 - 12/31/15  
\*Jean Haberman 1/1/14 - 12/31/16  
\*\* Open Seat 1/1/14 - 12/31/16  
\*Lester Rupp, Advisory  
\*Tim Klassen, Advisory  
\*Christine Bennett, Advisory  
\*Dean Janzen, City Council Liaison

**Police Commission - 5 members, 3 year term**

Garret Wall 1/1/12- 12/31/14  
Daryl Bargaen 1/1/12 - 12/31/14  
Norm Kunkel 1/1/13 - 12/31/15  
\*Susan Garloff 1/1/14 - 12/31/16  
\*\*Willian Phanluangsouk 1/1/14 - 12/31/16  
\* Brian Lunz, Advisory  
\*Andrew Ysker, City Council Liaison

**Tree Board, 5 members, 3 year term**

David Bucklin 1/1/12 - 12/31/14  
Jerry Logue 1/1/12 - 12/31/14  
Kevin Krahn 1/1/13 - 12/31/15  
\*Steve Harder 1/1/14 - 12/31/16  
\*Sonja Buller 1/1/14 - 12/31/16  
\*Brian Schultz, City Council Liaison  
\*Rick Oeltjenbruns, Advisory  
\*Judy Harder, Advisory

**Fire Department**

\*\*Brian Janzen, Chief  
\*\*Tim Coners, Asst. Chief  
\*David Watkins, President  
\*Steve Peters, Treasurer  
\*Jason Kruser, Secretary  
\*\*Daron Friesen, Grass Rig Maintenance  
\*\* Tim Janzen, New Pumper Maintenance  
\* Rick Oeltjenbruns, Tanker Maintenance  
\*\*Patrick Oja, \*\*Robert Gohr, Rescue Vehicle Maintenance  
\* Andrew Ysker, Old Pumper Maintenance  
\*\*Ken Classen, \*\* Robert Gohr, \*\*Patrick Oja, Training Officers

**Ambulance Service**

\*David Watkins, Captain  
\*Dennis Siebert, Assistant Captain  
\*Audi Nickel, Secretary/Treasurer  
\*Jason Ella, Training Officer  
\* Neal Wenner, Maintenance

\*Reappointment  
\*\* New Appointment

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# City of Mountain Lake Investment Policy

Reviewed and adopted by the Mt. Lake City Council on January 6, 2014.

This policy covers all monies of the City of Mountain Lake and includes deposits and investments of funds deposited in interest bearing accounts.

It is a common occurrence for the City of Mountain Lake to have cash balances in various fund accounts, which, though allocated for a specific purpose, are temporarily not needed. It is the policy of the City that any fund with a cash balance which will remain unexpended for a reasonable period of time, shall be invested in a manner as outlined below.

The investment policy of the City of Mountain Lake encompasses the following principles:

1. Safety of principal
2. Chief Investment Officer
3. Consultants
4. Collateralization
5. Authorized investments
6. Prohibited investments
7. Maximum investments
8. Pooling of investments
9. Liquidity
10. Local investments
11. Maximum interest earnings
12. Annual review

## CHIEF INVESTMENT OFFICER

The chief investment officer will be the City Administrator/Clerk-Treasurer, who will assure compliance with this policy and further develop and maintain adequate controls, procedures and methods assuring safe and accurate accounting on a day to day basis, with the approval of the Mountain Lake City Council. In the absence of the City Administrator/Clerk-Treasurer the Mountain Lake City Council will appoint a designee. The City Administrator/Clerk-Treasurer will provide the Mountain Lake City Council on a quarterly basis, all and any information requested by the Council in relation to this policy.

## CONSULTANTS

The retention of consultants, agreements with money managers etc. will not be authorized without the express consent of the Council.

## SAFETY OF PRINCIPAL

Safety of principal is the first priority in investing City funds. The City invests only in those investment instruments authorized by State Statute, Minnesota Statutes Chapter 471.56 and 475.66 set forth the authorized investments for a municipality. Depositories as designated shall have insurance through the FDIC (Federal Insurance). To ensure safety, it is the policy of the

City that when considering an investment, all depositories under consideration be cross-checked against existing investments to make certain that funds in excess of the insurance limits are not made in the same institution unless collateralized as outlined below.

### COLLATERALIZATION

All City funds must be deposited in financial institutions that provide \$250,000 in government insurance protection. At no time will deposits in any one institution exceed \$250,000 unless such excesses are protected by pledged securities.

### Securities Pledged as Collateral

Pledged securities, computed at market value will be limited to the following:

1. U. S. Treasury Bills, Notes or Bonds all of which mature within five years. Such securities pledged must cover all City deposits in the amount of 110%.
2. U. S. Agency securities guaranteed by the U. S. Government. Such securities pledged must cover all City deposits in the amount of 120%.
3. Repurchase Agreements, with maturities not exceeding one year, secured by U. S. Government Bills, Notes or Bonds.
4. Municipal General Obligation Bonds, rated "A" or better by Moody's, provided no single issue exceeds \$200,000 with maturities not exceeding five years. Such municipal bonds pledged must cover all City deposits in the amount of 125%.

No other collateral except as designated in 1, 2, 3, or 4 above will be authorized.

Securities detailed above under 1 and 2 may be purchased directly by the City when deemed feasible.

### AUTHORIZED INVESTMENTS

Examples of authorized investments are as follows:

1. Direct U. S. Government obligations
  - a. Treasury Bills
  - b. U. S. Treasury Certificates
  - c. Treasury Notes
  - d. Treasury Bonds
2. Federal Agency Issues
  - a. Federal Home Loan Bank Notes
  - b. Federal National Mortgage Associations (FNMA)
  - c. Federal Intermediate Credit Banks Debentures
  - d. Federal Farm Credit Bank Discount Notes or Bonds
  - e. Federal Home Loan Mortgage Corporation Notes or Bonds
  - f. Government National Mortgage Association Notes (GNMA)

3. Shares in investment companies, including Minnesota Municipal Joint Powers Investment Trust, whose only investments are in U. S. Government and agency issues and whose investments are in financial instruments with a final maturity no longer than 13 months.
4. General Obligations of the State of Minnesota, rated "A" or better by Moody's provided no single issue exceeds \$200,000.00 with maturities not exceeding five years.
5. Bankers acceptance of U. S. banks eligible for purchase by the Federal Reserve System.
6. Commercial Paper – rated A-1, P-1, and F-1 for maturities of 90 days or less.
7. Interest bearing deposits – (checking account, Certificates of Deposit, money market savings, and ordinary savings) must be collateralized at a minimum of 110% of face value.
8. Repurchase Agreements (Repos's) – Repo transactions are restricted to:
  - a. A primary reporting dealer in U. S. government securities who reports to the Federal Reserve Bank of New York or
  - b. National or state bank in the U. S. which is a member of the Federal Reserve System and whose combined capital and surplus equals or exceeds \$10,000,000.
  - c. A securities broker/dealer having its primary executive office in Minnesota and licensed pursuant to Chapter 80A, or an affiliate of it, registered by the Securities and Exchange Commission (SEC) and maintaining a combined capital and surplus of \$40,000,000 or more, exclusive of subordinated debt.
  - d. The City of Mountain Lake shall receive a confirmation/safekeeping receipt with a complete description of the collateral on the repo.

#### **PROHIBITED INVESTMENTS**

It is the City's policy to refrain from investing in banks, savings and loan associations, or credit unions whose equity to asset ratio is less than 6.0%.

#### **MAXIMUM INVESTMENT**

It is the policy of the City to determine its cash balance on a daily basis for the purpose of investing excess funds.

#### **POOLING OF INVESTMENTS**

For the purpose of making a maximum amount of funds available for investment, the cash for all City funds can be pooled in an investment account. Interest earnings are allocated amount the various funds based upon their average cash balance.

**LIQUIDITY**

The purpose of having part of the City's investment portfolio in very liquid funds is to ensure that funds will be available should unexpected large bills be presented for payment.

**MAXIMUM INTEREST EARNINGS**

After the liquidity needs, and scheduled maturity needs are satisfied, the balance of the funds available for investment are placed with institutions that offer the greatest safety and highest rate of return consistent with the maturities as determined by the City. Quotations or telephone bids are normally taken for all investments, whether they are short term or long term. This alleviates the problem of whom to place the investment with.

**ANNUAL REVIEW**

It shall be the practice of the City Council to review and approve the investment policy each year on the first regular meeting of January.

Changes are in bold.

CITY OF MOUNTAIN LAKE

Ordinance 1-14  
Establishing Rates, Fees and Administrative Fines

The Mountain Lake City Council hereby establishes the following rates, fees and administrative fines:

WATER, SEWER AND ELECTRIC UTILITIES

Water Service:

(effective January 1, 2014)

**Residential**

Base	\$28.09
1,000 to 6,999 gals.	\$6.50 per 1,000
7,000 to 12,999 gals.	\$7.28 per 1,000
13,000 to 25,999 gals.	\$8.32 per 1,000
26,000 gals. and up	\$9.36 per 1,000

**Rural**

Base	\$29.13
1,000 to 6,999 gals.	\$7.28 per 1,000
7,000 to 12,999 gals.	\$8.32 per 1,000
13,000 to 25,999 gals.	\$9.36 per 1,000
26,000 gals. and up	\$10.40 per 1,000

**Rural/Industrial/Commercial**

Base	\$28.09
1,000 to 50,999 gals.	\$7.02 per 1,000
51,000 gals. and up	\$7.28 per 1,000

Sewer:

(effective January 1, 2014)

<b>Residential:</b>	\$38.25 per month
<b>Rural:</b>	\$40.80 per month
<b>Commercial:</b>	\$40.80 minimum 1 <sup>st</sup> 3,000 gallons of water used \$ 7.64 excess water usage per 1,000 gallons

Electric:

(effective January 1, 2001)

\*\* All rates shown are subject to a fuel and/or purchased cost adjustment and states sales tax.

\*\* Energy charge is in addition to the minimum charge.

**Residential:**

Base Charge	\$5.00
1 <sup>st</sup> 900 KWH	6.00 cts per KWH
Excess KWH	6.50 cts per KWH

Rural:		
Base Charge	\$6.50	
1 <sup>st</sup> 1000 KWH	7.00 cts per KWH	
Excess KWH	7.50 cts per KWH	
Commercial:		
Base Charge	\$8.50	
1 <sup>st</sup> 1200 KWH	6.75 cts per KWH	
Excess KWH	7.00 cts per KWH	
City Rates:		
All KWH	3.20 cts per KWH	
Industrial:		
Demand:		
1 <sup>st</sup> 60 KW	\$369.00	
Excess KW	4.65 per KW	
Energy:		
All KWH	3.50 cts per KWH	
Conservation Break:		
If you use 150 KWH or less	\$2.00 credit	
If you use 151 to 250 KWH	\$1.00 credit	
Conservation Improvement Plan Surcharge (effective Jan. 1, 2010)		3.0% of electric bill
<u>Deposits:</u>		
Landlord	\$100 per unit, up to \$500 maximum	
Homeowner	\$150	
Tenant	\$250	
Tenant with electric heat	\$300	
<u>Other changes:</u>		
Late payments charge for payment not received or postmarked after the due date	10% of the bill	
Processing delinquent notices fee	\$25	
Shut-off fee	\$25	
Re-connect fee	\$25	
Current limiter attachment fee	\$25	
Current limiter removal fee	\$25	
Water line tapping fee	\$205 per connection	
Sewer line tapping fee	\$205 per connection	
FIRE DEPARTMENT		
Fire Call	\$1,000	

AMBULANCE DEPARTMENT

Ambulance Call \$450 plus \$10.50 per loaded mile

PUBLIC WORKS (all prices includes employee):

Sweeper rental: \$100 per hour  
Blade rental: \$200 per hour  
Roller rental: \$50 per hour  
Sidewalk Grinding: \$15 for first crack  
\$7.50 for each following  
Salt/Sand Spreading:  
    Small Lot \$150  
    Large Lot \$200  
Snow Removal Hauling: \$250 per hour  
Mowing \$75 per lawn, less than an hour  
\$150 per hour  
Sewer Camera \$.50 per foot, minimum \$250 per hour  
Jet Rodder/Vactor \$200 per hour  
Bucket Truck \$160 per hour  
Boom Truck \$160 per hour

CEMETERY

Grave Lot \$400 each  
Grave Open/Close Rates \$500 weekdays (traditional and cremation)  
\$700 weekends (traditional and cremation)

ALCOHOL AND TOBACCO LICENSES AND PERMITS

On-sale liquor license, annual fee \$400  
Off-sale liquor license, annual fee \$100  
Cigarette sales, annual fee \$25.00

ADMINISTRATIVE FEES AND MISCELLANEOUS CHARGES

Copies \$.25 per page  
Public Data Requests and City Business Copies 1-19 pgs. – no cost  
20 or more pgs. – \$.25/pg.  
Faxes (incoming and outgoing) \$3.00 per page  
Laminate (8" by 10") \$3.00  
Laminate (11" by 14") \$3.50  
Room Rent (City Hall and Community Center) \$125.00

The City does not provide copying services for non-city government business.

POLICE SERVICES

Accident Reports 1-19 pgs. – no cost

	20 or more pgs. - \$.25/pg:
Animal Transport	\$50.00
Local Background Check	\$5.00
(no charge for federal, state and local agencies)	\$5.00
Driving Record	\$10.00
False Alarm	\$50.00
Funeral Escort	No Charge
Home Checks	No Charge
ICR/Investigations Reports	\$5.00 + 25 cents per page over 3 pages
Digital Photos	\$2.00 each, printed on standard copy paper

#### LICENSE AND PERMIT FEES

##### Alcohol Related Items:

Investigation for initial application	\$50.00
Event permit (with alcohol)	\$250.00 + police coverage costs
Event permit (w/o liquor)	\$150.00 + police coverage costs as determined by the Chief of Police

##### Other:

<b>Cat/dog Licenses</b>	<b>\$10 biennially</b>
Solicitor Registration	\$25.00
Golf Cart Permit	\$10.00 annually
Sale of Legal Fireworks (8.05)	\$25.00

#### POLICE DEPARTMENT ADMINISTRATIVE FINES - See attached

	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense
Social Host (City Code 5.18)	\$100.00		
Address Numbers	\$60.00		

#### TRAVEL BY ELECTED OFFICIALS OR EMPLOYEES

IRS Mileage Reimbursement Rate	\$.565 per mile
IRS Meal Reimbursement Rate	
Breakfast	\$7.00
Lunch	\$11.00
Dinner	\$23.00

#### PLANNING AND ZONING

Rezoning of property	\$100.00
Conditional Use Permit	\$100.00
Subdivision of Property	\$100.00
Variance	\$100.00
Special meeting by request	\$125.00
Appeals	\$100.00
Excavation Permit	no fee
Building Permit Extension (6 mos.)	no fee
Demolition Permit	No fee

Preliminary Plat	\$150 + \$1 per lot
Final Plat	\$100.00
Minor Subdivision Plat	\$100.00
Street/alley Vacation	\$200.00
Annexation	\$250.00 + costs
Failure to obtain building permit	30 days after 1 <sup>st</sup> written notice; 2 times the building fee applicable to the project
Rental License	\$10.00 per building
Building Permit Fees	
Siding or Shingles	\$50.00 (includes state surcharge)
All other	See attachment, includes state surcharge
Moving Permit	Actual Costs
Planned Unit Development Application Fee	\$250.00
Utility Water Line Tapping Fee	\$205.00
Utility Sewer Line Tapping Fee	\$205.00

Adopted by the City Council this 6th day of January, 2014.

ATTEST:

\_\_\_\_\_  
Dean Janzen, Mayor

\_\_\_\_\_  
Wendy Meyer, Clerk/Administrator



# Mt. Lake Building Permit Fees effective Sept. 12, 2007

Reviewed and Adopted January 6 2014.

VALUE	FEE	VALUE	FEE	VALUE	FEE
100,001 - 101,000	643.00	140,001-141,000	783.00	170,001-171,000	888.00
101,001 - 102,000	646.50	141,001-142,000	786.50	171,001-172,000	891.50
102,001 - 103,000	650.00	142,001-143,000	790.00	172,001-173,000	895.00
103,001 - 104,000	653.50	143,001-144,000	793.50	173,001-174,000	898.50
104,001 - 105,000	657.00	144,001-145,000	797.00	174,001-175,000	902.00
105,001 - 106,000	660.50	145,001-146,000	800.50	175,001-176,000	905.50
106,001 - 107,000	664.00	146,001-147,000	804.00	176,001-177,000	909.00
107,001 - 108,000	667.50	147,001-148,000	807.50	177,001-178,000	912.50
108,001 - 109,000	671.00	148,001-149,000	811.00	178,001-179,000	916.00
109,001 - 110,000	674.50	149,001-150,000	814.50	179,001-180,000	919.50
110,001-111,000	678.00	150,001-151,000	818.00	180,001-181,000	923.00
111,001-112,000	681.50	151,001-152,000	821.50	181,001-182,000	926.50
112,001-113,000	685.00	152,001-153,000	825.00	182,001-183,000	930.00
113,001-114,000	688.50	153,001-154,000	828.50	183,001-184,000	933.50
114,001-115,000	692.00	154,001-155,000	832.00	184,001-185,000	937.00
115,001-116,000	695.50	155,001-156,000	835.50	185,001-186,000	940.50
116,001-117,000	699.00	156,001-157,000	839.00	186,001-187,000	944.00
117,001-118,000	702.50	157,001-158,000	842.50	187,001-188,000	947.50
118,001-119,000	706.00	158,001-159,000	846.00	188,001-189,000	951.00
119,001-120,000	709.50	159,001-160,000	849.50	189,001-190,000	954.50
120,001-121,000	713.00	160,001-161,000	853.00	190,001-191,000	958.00
121,001-122,000	716.50	161,001-162,000	856.50	191,001-192,000	961.50
122,001-123,000	720.00	162,001-163,000	860.00	192,001-193,000	965.00
123,001-124,000	723.50	163,001-164,000	863.50	193,001-194,000	968.50
124,001-125,000	727.00	164,001-165,000	867.00	194,001-195,000	972.00
125,001-126,000	730.50	165,001-166,000	870.50	195,001-196,000	975.50
126,001-127,000	734.00	166,001-167,000	874.00	196,001-197,000	979.00
127,001-128,000	737.50	167,001-168,000	877.50	197,001-198,000	982.50
128,001-129,000	741.00	168,001-169,000	881.00	198,001-199,000	986.00
129,001-130,000	744.50	169,001-170,000	884.50	199,001-200,000	989.50
130,001-131,000	748.00	\$100,001.00 to \$500,000.00 - \$639.50 for the first \$100,000.00 plus \$3.50 for each additional \$1,000.00, or fraction thereof, to and including \$500,000.00			
131,001-132,000	751.50				
132,001-133,000	755.00				
133,001-134,000	758.50	\$500,001.00 to \$1,000,000.00 - \$2,039.50 for the first \$500,000.00 plus \$3.00 for each additional \$1,000.00, or fraction thereof, to and including \$1,000,000.00			
134,001-135,000	762.00				
135,001-136,000	765.50				
136,001-137,000	769.00				
137,001-138,000	772.50				
138,001-139,000	776.00	\$1,000,000.00 and up- \$3,539.50 for the first \$1,000,000.00 plus \$2.00 for each additional \$1,000.00, or fraction thereof			
139,001-140,000	779.50				

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# MOUNTAIN LAKE POLICE FINES

Adopted January 6, 2014.

Section	Offense	Base Fine	SC/LL	Total
8.01	Storage Deposit Dispose Refuse 1st Off	100	75+5	180
8.01	Storage Deposit Dispose Refuse 2nd Off	200	75+5	280
8.02	Abandoned Vehicle	100	75+5	180
8.03	Public Nuisance 1st Offense	100	75+5	180
8.03	Public Nuisance 2nd Offense	200	75+5	280
8.04	Obstruction/Dump on Public Property 1st Off	100	75+5	180
8.04	Obstruction/Dump on Public Property 2nd Off	300	75+5	380
8.05s1	Dangerous Weapons	300	75+5	380
8.05s3	Discharge Firearm, Explosive, Dang Weapon	300	75+5	380
8.05s4	Possess Discharge Fireworks	100	75+5	180
8.05s5	Sale of Fireworks	50	75+5	130
8.06	Dangerous Trespass/Other Acts	300	75+5	380
8.08	Disorderly Conduct	300	75+5	380
8.09	Disorderly Conduct - Noise 1st Offense	50	75+5	130
8.09	Disorderly Conduct - Noise 2nd Offense	100	75+5	180
8.09	Disorderly Conduct - Noise 3rd Offense	150	75+5	230
8.10s2	Tobacco Possession by Minor	Juv Court		
8.10s3	Tobacco Use by Minor	Juv Court		
8.10s4	Procurement by/for Minor	Juv Court		
8.10s5	Tobacco-False ID	Juv Court		
8.11	Curfew 1st Offense	Juv Court		
8.11	Curfew 2nd Offense	Juv Court		
8.12s3	Dog Running 1st Offense	20	75+5	100
8.12s3	Dog Running 2nd Offense	40	75+5	120
8.12s3	Dog Running 3rd Offense	60	75+5	140
8.12s4	Animal License 1st Offense	20	75+5	100
8.12s4	Animal License 2nd Offense	40	75+5	120
8.12s4	Animal License 3rd Offense	60	75+5	140
8.12s5	Number of Animals	100	75+5	180
8.12s8	Animal Tag	20	75+5	100
8.12s14	Animal - Unlawful Acts	100	75+5	180
8.12s15	Non-Domestic Animals	60	75+5	140
8.12s21	Animal Waste	100	75+5	180
8.12s22	Dog Barking 1st Offense	20	75+5	100
8.12s22	Dog Barking 2nd Offense	40	75+5	120
8.12s22	Dog Barking 3rd Offense	60	75+5	140
8.12s23	Animal Damage to Property	100	75+5	180
8.12s24	Staking of Animals	100	75+5	180
8.12s25	Kennels	100	75+5	180
8.13	Animals & Fowl Violations	50	75+5	130
8.15	Open Burning 1st offense	50	75+5	130
8.15	Open Burning 2nd offense	75	75+5	155
8.15	Open Burning 3rd Offense	100	75+5	180
8.15s3	Firewood Storage 1st Offense	100	75+5	180

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## MOUNTAIN LAKE POLICE FINES

Adopted January 6, 2014.

8.15s3	Firewood Storage 2nd Offense	300	75+5	380
8.15s4	Careless Fire	100	75+5	180
11.02s6	U-Turns	50	75+5	130
11.02s7	Exhibition Driving	100	75+5	180
11.03s2	General Parking	13	12	25
11.03s4	Angle Parking	13	12	25
11.03s9	Truck Parking	13	12	25
11.05s2	Handicapped Parking	100	75+5	180
11.05s3	Fire Lane Parking	13	12	25
11.06	Snow Parking	13	12	25
11.07	Recreational Vehicle Parking	50	75+5	130

**Seniority List for the City of Mt. Lake**  
1/1/14

<u>Date of Hire</u>	<u>Years of Service</u> <u>Last Anniversary</u>	<u>Name</u>	<u>Department</u>
06/27/84	29years	Lynda Cowell	Utilities
09/11/89	24 years	Kevin Krahn	Water/Sewer Dept. Head
06/01/91	22 years	Rick Oeltjenbruns	Street Dept. Head
08/26/91	22 years	Dawn Fast	Deputy Clerk/Administrator
09/01/91	22 years	Carol Lehman	Library Director
03/04/96	17 years	David Watkins	Water/Sewer
12/15/97	16 years	Doug Bristol	Police Chief
04/17/00	13 years	Ronald Melson	Electric Dept. Head
12/19/00	13 years	Daron Friesen	Street Dept.
10/13/03	10 years	Steve Peters	Street Dept.
*07/26/04	9 years	Ken Bradford	Police Officer
12/01/05	8 years	Wendy Meyer	Clerk/Administrator
01/03/06	7 years	Robert Anderson	Community Development
08/09/10	3 years	Patrick Oja	Lineperson
04/09/12	1 year	Emily Mathiowetz	Police Officer
04/15/13	0 years	Nick Naxay	Police Officer

\* Ken Bradford's start date as police officer, Dec. 26, 2011, as per council, is used to determine seniority within the department.

**Part-time**

1/94	19years	Sandra Schroder	Assistant Library Director
5/02	11 years	Marva Ott	EDA Assistant
3/06	7 years	Gloria Klassen	Library Aide
5/08	5 years	Rosie Dick	Library Assistant
6/1/09	4 years	Brian Lunz	Police Officer
2/21/10	3 years	Kim Hall	Police Officer
4/6/10	3 years	Tera Hahle	Police Officer

**Contract**

Dennis Hulzebos, Custodial  
 Steven Carson, Building Official  
 Ryan Mihalak, MMUA Safety Coordinator  
 Maryellen Suhrhoff, Muske, Muske and Suhrhoff, City Attorney  
 Andy Kehren, Bolton and Menk, City Engineer  
 John Ysker, Burnsite attendant

Two Summer Employees