

**Regular Council Meeting
Mountain Lake City Hall
Tuesday, Dec. 22, 2015
6:00 p.m.**

AGENDA

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

2. Approval of Agenda and Consent Agenda
 - a. Bills: Check #'s 9918177 – 9918233; 413-415E*(1-6)
 - b. Approval of Payroll Checks #'s 62170-62206
 - c. Approval of Dec, 8 Council Minutes*(7-9)
 - d. Approval of Nov. 13 EDA Minutes*(10-11)
 - e. Approval of Nov. 25 Utility Commission Minutes*(12-13)
 - f. Approval of Nov. 9 Lake Commission Minutes*(14-15)
 - g. Approval of Nov. 12 Police Commission Minutes*(16)
 - h. Adopt Resolution #34-15 Attach Demolition and Well Closing Costs as 412 7th St. N.*(17)
 - i. Adopt Resolution #39-15 Attach Public Nuisance and Lawn Mowing Costs at 826 N. 10th St.*(18)
 - j. Hire Heather Youngwirth, Ambulance Squad, effective 12-8-15
 - k. Approve Ambulance Service Billing Agreement and HIPPA Business Associate Agreement, Expert T Billing*(19-35)

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

4. Police Dept.
 - a. Squad Car
 - i. Car*(36-38)
 - ii. Other Equipment*(39-40)
 - iii. Graphics*(41-42)

5. Re-zoning PIN 22.524.0010
 - a. Maps*(43-45)
 - b. Information from Intended Purchaser*(46)
 - c. Portion of League of MN Cities Zoning Guide*(47-50)
 - d. Elements #3 and #6 Mt. Lake Comprehensive Plan*(51-54)

- e. Section 9.21 General Commercial District, Mt. Lake Code*(55-58)
 - f. Section 9.30 Industrial District, Mt. Lake Code*(59-60)
 - g. Resolution #40-15*(61-64)
6. 2016 budget and levy – separate packet
- a. Adopt Resolution #38-15 Adopting 2016 Property Tax Levy*(65)
7. Administrator
- a. 2016 Council Meeting Schedule*(66)
 - b. Review of Council Appointments*(67)
 - c. Close City Hall 1 p.m. Dec. 24
 - d. League of MN Insurance Trust Property/Casualty Dividend*(68-72)
 - e. Evaluation of the City Clerk/Administrator – Meeting May Be Closed
8. City of Mountain Lake vs. Kenneth Yoder and Rachel Yoder
(This portion of the meeting will be closed, attorney/client privilege.)
9. Adjourn

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December 22, 2015
9918177-9918233
413E-415E

December 2015

Check Amt Invoice Comment

10100 United Prairie

Paid Chk# 9918177 12/14/2015 COMMISSIONER OF REVENUE

G 101-21702 State Withholding \$390.66
 Total COMMISSIONER OF REVENUE \$390.66

Paid Chk# 9918178 12/14/2015 INTERNAL REVENUE SERVICE

G 101-21703 FICA Tax Withholding \$2,233.84
 G 101-21701 Federal Withholding \$896.59
 Total INTERNAL REVENUE SERVICE \$3,130.43

Paid Chk# 9918179 12/4/2015 KDOM RADIO

E 205-46500-343 Busnes Recrut/Comm Dev \$274.00 179151137772 EDA ADS
 Total KDOM RADIO \$274.00

Paid Chk# 9918180 12/4/2015 ALLEN D. KAHLER

E 101-45210-304 Legal Fees \$1,124.20 COMMISSIONER FOR YODER HEARING
 Total ALLEN D. KAHLER \$1,124.20

Paid Chk# 9918181 12/7/2015 COTTONWOOD COUNTY VET CLINIC

E 101-42100-430 Miscellaneous \$82.29 ANIMALS TO VET CLINIC
 Total COTTONWOOD COUNTY VET CLINIC \$82.29

Paid Chk# 9918182 12/7/2015 KAREN & MAKAYLAS LITTLE CARE

G 230-10639 Karen & MaKaylas Little Care \$2,000.00 NEW LOAN
 G 230-10639 Karen & MaKaylas Little Care (\$2,000.00) VOID CHECK 18182
 Total KAREN & MAKAYLAS LITTLE CARE \$0.00

Paid Chk# 9918183 12/7/2015 WORLD BOOK INC.

E 211-45500-590 Capital Outlay Books \$489.00 LIBRARY BOOKS
 Total WORLD BOOK INC. \$489.00

Paid Chk# 9918184 12/10/2015 AFLAC

G 101-21713 AFLAC \$192.74
 Total AFLAC \$192.74

Paid Chk# 9918185 12/10/2015 BCBS/HSA

G 101-21714 HSA \$371.17
 Total BCBS/HSA \$371.17

Paid Chk# 9918186 12/10/2015 COMMISSIONER OF REVENUE

G 101-21702 State Withholding \$695.48
 Total COMMISSIONER OF REVENUE \$695.48

Paid Chk# 9918187 12/10/2015 GISLASON & HUNTER

G 101-21712 Garnishments \$355.54
 Total GISLASON & HUNTER \$355.54

Paid Chk# 9918188 12/10/2015 INTERNAL REVENUE SERVICE

G 101-21703 FICA Tax Withholding \$2,242.44
 G 101-21701 Federal Withholding \$1,574.14
 Total INTERNAL REVENUE SERVICE \$3,816.58

Paid Chk# 9918189 12/10/2015 LAW ENFORCEMENT LABOR SERV

G 101-21711 PD UNION DUES \$47.00
 Total LAW ENFORCEMENT LABOR SERV \$47.00

Paid Chk# 9918190 12/10/2015 PERA

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December 2015

		Check Amt	Invoice	Comment
G 101-21704	PERA	\$3,806.71		
Total PERA		\$3,806.71		
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Paid Chk#	9918191	12/10/2015	VALIC	
G 101-21705	VALIC	\$888.06		
Total VALIC		\$888.06		
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Paid Chk#	9918192	12/7/2015	LARRY A. MAGES	
E 101-45210-304	Legal Fees	\$1,269.10		COMMISSIONER FOR YODER HEARING
Total LARRY A. MAGES		\$1,269.10		
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Paid Chk#	9918193	12/10/2015	KAREN GRIFFITH	
G 230-10639	Karen & MaKaylas Little Care	\$1,000.00		NEW LOAN-DAYCARE
Total KAREN GRIFFITH		\$1,000.00		
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Paid Chk#	9918194	12/10/2015	MAKAYLA PRICE	
G 230-10639	Karen & MaKaylas Little Care	\$1,000.00		NEW LOAN FOR DAYCARE
Total MAKAYLA PRICE		\$1,000.00		
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Paid Chk#	9918195	12/18/2015	COUNTRY PRIDE SERVICES	
E 101-43100-212	Motor Fuels	\$745.20		ST DEPT GAS
E 101-42100-212	Motor Fuels	\$54.70		PD-SUV GAS
E 101-42100-212	Motor Fuels	\$550.25		PD-CHARGER GAS
E 231-42154-212	Motor Fuels	\$171.04		AMB DIESEL
E 101-43100-404	Repairs/Maint Machinery/Equip	\$814.28	091127,15195	ST DEPT-BLK PAINT, 4 TIRES
E 101-43100-430	Miscellaneous	\$7.65	151598	EXPANSION JOINT-ST DEPT BY KING EGG ROLL
E 101-45186-220	Repair/Maint Supply	\$297.63	151813,15274	CLEANERS,WINDOW-COMM CTR
E 101-45200-404	Repairs/Maint Machinery/Equip	\$6.63	151830	SCREWS/BOLTS-PARK SIGN
E 507-46103-430	Miscellaneous	\$8.54	151887	MOUSE POISON-AERATION SHED
E 240-46500-401	Repairs/Maint Buildings	\$70.00	151939	LABOR ON WATERHEATER AT FITNESS CENTER
E 101-42100-430	Miscellaneous	\$2.95	152044	2X4-POLICE GARAGE
E 608-46330-401	Repairs/Maint Buildings	\$11.73	152592	FURNACE FILTERS
E 101-43124-216	Chemicals and Chem Products	\$22.19	152633	SALT FOR SIDEWALKS
E 101-42100-308	Training & Instruction	\$17.08	152725	PD-RIFLE SLUG
E 101-00000-430	Miscellaneous	\$125.47	152878	TREATED WOOD FOR PICNIC TABLES-SHIP GRANT/ACTIVE LIVING PLAN
E 211-45500-220	Repair/Maint Supply	\$36.39	153009	LIBRARY-CLEANERS,GARBAGE BAGS
E 101-43100-212	Motor Fuels	\$842.34	401843	ST DEPT-55 GAL LUBE OIL
Total COUNTRY PRIDE SERVICES		\$3,784.07		
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Paid Chk#	9918196	12/18/2015	ALPHA WIRELESS COMMUNICATIONS	
E 231-42154-580	Other Equipment	\$440.00	680245	PROGRAM NEW RADIOS
E 221-42200-500	Capital Outlay	\$440.00	680245	PROGRAM NEW RADIOS
Total ALPHA WIRELESS COMMUNICATIONS		\$880.00		
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Paid Chk#	9918197	12/18/2015	MUNICIPAL UTILITIES	
E 101-43160-381	Electric Utilities	\$3,310.06		OCTOBER ST LIGHTING
E 101-43160-381	Electric Utilities	\$3,915.18		NOVEMBER ST LIGHTING
Total MUNICIPAL UTILITIES		\$7,225.24		
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Paid Chk#	9918199	12/18/2015	MUNICIPAL UTILITIES	
R 101-00000-33408	PERA Rate Increase Aid	\$460.50		2ND HALF PERA
Total MUNICIPAL UTILITIES		\$460.50		
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Paid Chk#	9918200	12/18/2015	MUNICIPAL UTILITIES	
E 101-43100-401	Repairs/Maint Buildings	\$35.00		PRESSURE VESSEL TEST-ST DEPT

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December 2015

		Check Amt	Invoice	Comment
Total MUNICIPAL UTILITIES		\$35.00		
Paid Chk# 9918201	12/18/2015 MUNICIPAL UTILITIES			
R 101-00000-31000	General Property Taxes	\$658.28		2014 UTILITY BILL ASSESSED-MAYNARD OLSON
Total MUNICIPAL UTILITIES		\$658.28		
Paid Chk# 9918202	12/18/2015 MUNICIPAL UTILITIES			
R 501-47000-36101	Spec Assess Principal	\$17.98		SEWER ASSESSMENT-22112
Total MUNICIPAL UTILITIES		\$17.98		
Paid Chk# 9918203	12/18/2015 MUNICIPAL UTILITIES			
R 101-00000-31000	General Property Taxes	\$311.94		UTILITY BILLS ASSESSED-22015
Total MUNICIPAL UTILITIES		\$311.94		
Paid Chk# 9918204	12/18/2015 MUNICIPAL UTILITIES			
R 101-00000-31000	General Property Taxes	\$8,637.12		PRIVATE SEWER LINE ASSESSMENT-#22123
Total MUNICIPAL UTILITIES		\$8,637.12		
Paid Chk# 9918205	12/18/2015 MUNICIPAL UTILITIES			
R 101-00000-31000	General Property Taxes	\$182.76		UTILITY BILLS ASSESSED
Total MUNICIPAL UTILITIES		\$182.76		
Paid Chk# 9918206	12/18/2015 ALPHA WIRELESS COMMUNICATIONS			
E 231-42154-404	Repairs/Maint Machinery/Equip	\$532.00	199776	REPAIR RADIO IN 06 FORD AMB
E 221-42200-323	Radio-monthly service contract	\$36.00	680353	DEC FD RADIO MAINTENANCE
E 231-42154-323	Radio-monthly service contract	\$44.00	680353	DEC AMB RADIO MAINTENANCE
otal ALPHA WIRELESS COMMUNICATIONS		\$612.00		
Paid Chk# 9918207	12/18/2015 CASEYS-CREDIT CARD DEPARTMENT			
E 101-43100-212	Motor Fuels	\$49.01		ST DEPT GAS
E 101-45200-212	Motor Fuels	\$69.78		PARKS GAS-#4
E 205-46500-430	Miscellaneous	\$7.49	11/19/15	EDA CONSTRUCTION MTG
otal CASEYS-CREDIT CARD DEPARTMENT		\$126.28		
Paid Chk# 9918208	12/18/2015 COMPUTER LODGE			
E 101-41400-310	Computer Contract Services	\$3,400.00	4901	COMPUTER SERVICE CONTRACT
Total COMPUTER LODGE		\$3,400.00		
Paid Chk# 9918209	12/18/2015 COTTONWOOD COUNTY SHERIFF			
E 101-42100-430	Miscellaneous	\$76.98		2 FINGERPRINT SENSORS-PD
Total COTTONWOOD COUNTY SHERIFF		\$76.98		
Paid Chk# 9918210	12/18/2015 DOUG BRISTOL			
E 101-42100-430	Miscellaneous	\$22.00		REIMBURSE FOR GLOVE HOLDER-PD
Total DOUG BRISTOL		\$22.00		
Paid Chk# 9918211	12/18/2015 EVEREST EMERGENCY VEHICLES INC			
E 231-42154-404	Repairs/Maint Machinery/Equip	\$42.90	P01748	MUD FLAP-AMBULANCE
otal EVEREST EMERGENCY VEHICLES INC		\$42.90		
Paid Chk# 9918212	12/18/2015 EXPERT T BILLING			
E 231-42154-300	Professional Svcs	\$364.00	2502	NOVEMBER AMB BILLING
Total EXPERT T BILLING		\$364.00		
Paid Chk# 9918213	12/18/2015 GRAHAM TIRE WORTHINGTON			
E 101-43100-404	Repairs/Maint Machinery/Equip	\$1,577.88	8471046	4 TIRES FOR ST DEPT
E 101-43100-404	Repairs/Maint Machinery/Equip	(\$550.00)	8473247	CREDIT FOR USED TIRES

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		Check Amt	Invoice	Comment
Total	GRAHAM TIRE WORTHINGTON	\$1,027.88		
Paid Chk#	9918214	12/18/2015	GRANDPREY APPRAISAL SERVICE	
E	101-45210-304	Legal Fees	\$814.95	COMMISSIONER SERVICES-YODER TRAIL HEARING
Total	GRANDPREY APPRAISAL SERVICE		\$814.95	
Paid Chk#	9918215	12/18/2015	HEATHER YOUNGWIRTH	
E	231-42154-308	Training & Instruction	\$70.00	REIMBURSE FOR EMT TEST
Total	HEATHER YOUNGWIRTH		\$70.00	
Paid Chk#	9918216	12/18/2015	HEIMAN FIRE EQUIPMENT--USE THI	
E	221-42200-404	Repairs/Maint Machinery/Equip	\$6.00	0840331-IN HELMET FRONTS FOR CHIEF & ASSISTANT CHIEF
Total	HEIMAN FIRE EQUIPMENT--USE THI		\$6.00	
Paid Chk#	9918217	12/18/2015	HENRY SCHEIN INC	
E	231-42154-210	Operating Supplies	\$140.58	25626446 COMBI-TUBES FOR AMB
Total	HENRY SCHEIN INC		\$140.58	
Paid Chk#	9918218	12/18/2015	JAND DEVELOPMENT	
E	470-49000-300	Professional Svcs	\$5,251.18	2ND HALF TIF-HOSPITAL PROJECT
Total	JAND DEVELOPMENT		\$5,251.18	
Paid Chk#	9918219	12/18/2015	KDOM RADIO	
E	101-00000-430	Miscellaneous	\$28.00	540151137655 MONTHLY ADVERTISING
Total	KDOM RADIO		\$28.00	
Paid Chk#	9918220	12/18/2015	LUCAN COMMUNITY TV	
E	101-41400-401	Repairs/Maint Buildings	\$50.00	2425 REPAIR LOCK AT CITY HALL
Total	LUCAN COMMUNITY TV		\$50.00	
Paid Chk#	9918221	12/18/2015	MAYNARDS FOOD CENTER	
E	205-46500-430	Miscellaneous	\$12.80	11/13/2015 EDA LUNCH
E	101-41400-200	Office Supplies	\$7.79	11/30/2015 TP-OFFICE
E	101-41400-200	Office Supplies	\$14.61	11/4/2015 TP & CLEANING SUPPLIES-CITY HALL
Total	MAYNARDS FOOD CENTER		\$35.20	
Paid Chk#	9918222	12/18/2015	MOTOROLA SOLUTIONS INC	
E	221-42200-500	Capital Outlay	\$4,444.50	13090153 FIRE DEPT-2 PORTABLE RADIOS-APX4000
E	231-42154-580	Other Equipment	\$4,444.50	13090153 AMB-2 PORTABLE RADIOS-APX4000
Total	MOTOROLA SOLUTIONS INC		\$8,889.00	
Paid Chk#	9918223	12/18/2015	MUNICIPAL UTILITIES	
E	101-00000-361	General Liability Ins	\$699.63	SEWER DEPT-PROPERTY/CASUALTY DIVIDEND
E	101-00000-361	General Liability Ins	\$2,332.10	WATER DEPT-PROPERTY/CASUALTY DIVIDEND
E	101-00000-361	General Liability Ins	\$4,897.41	ELEC DEPT-PROPERTY/CASUALTY DIVIDEND
Total	MUNICIPAL UTILITIES		\$7,929.14	
Paid Chk#	9918224	12/18/2015	PETERSON DRUG & GIFTS	
E	101-41110-200	Office Supplies	\$10.68	11/03/15 MEMORY CARD FOR COUNCIL RECORDER
E	101-00000-430	Miscellaneous	\$9.97	11/16/15 SHIP RADIO TO MANKATO-RON
Total	PETERSON DRUG & GIFTS		\$20.65	
Paid Chk#	9918225	12/18/2015	PINEBROOK	
E	360-47000-300	Professional Svcs	\$3,065.49	2ND HALF TIF PAYMENT
Total	PINEBROOK		\$3,065.49	
Paid Chk#	9918226	12/18/2015	PRAXAIR	

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		Check Amt	Invoice	Comment
E 231-42154-210	Operating Supplies	\$90.00	54362343	OXYGEN FOR AMBULANCE DEPT
E 231-42154-210	Operating Supplies	\$239.42	54399636	OXYGEN FOR AMBULANCE DEPT
Total PRAXAIR		\$329.42		
Paid Chk# 9918227 12/18/2015 RADTKE WELDING				
E 101-45200-404	Repairs/Maint Machinery/Equip	\$55.00	7712	MATERIALS & LABOR-PARKS DEPT
E 101-00000-430	Miscellaneous	\$68.34	7716	REPAIR TO FLAG HOLDERS
E 101-43100-404	Repairs/Maint Machinery/Equip	\$285.75	7721	REPAIR TO BLADE
Total RADTKE WELDING		\$409.09		
Paid Chk# 9918228 12/18/2015 RED FEATHER PAPER				
E 101-41400-200	Office Supplies	\$32.35	84598	PAPER TOWELS-CITY HALL
Total RED FEATHER PAPER		\$32.35		
Paid Chk# 9918229 12/18/2015 SANFORD LABORATORIES				
E 101-42100-260	Recruitment	\$104.00	10/14/15	POLICE OFFICER LAB WORK-JACOB VITZTHUM
Total SANFORD LABORATORIES		\$104.00		
Paid Chk# 9918230 12/18/2015 SID EWERT				
E 507-45150-430	Miscellaneous	\$180.00		6 MONTHS WEED HARVESTOR STORAGE
Total SID EWERT		\$180.00		
Paid Chk# 9918231 12/18/2015 SW/WC SERVICE COOPERATIVES				
E 101-43100-131	Employer Paid Health	\$2,212.94		JAN 16 HEALTH INS-ST DEPT
E 205-46500-131	Employer Paid Health	\$1,229.41		JAN 16-HEALTH INS EDA
E 101-42100-135	Employer Paid Other	\$420.50		JAN 16 HELATH INS-BRIAN LUNZ
E 211-45500-131	Employer Paid Health	\$1,229.41		JAN 16 HEALTH INS-LIBRARY
E 101-42100-131	Employer Paid Health	\$3,224.12		JAN 16 HEALTH INS-POLICE DEPT
E 101-41400-131	Employer Paid Health	\$2,458.82		JAN 16 HEALTH INS-OFFICE
G 101-21708	Employee Paid Health Insurance	\$78.67		DIFFERENCE BETWEEN DEC 15 AND JAN 16 EMPLOYEE PORTION OF HEALTH INSURANCE
E 101-42100-135	Employer Paid Other	\$420.50		JAN 16 HEALTH INS-KEN BRADFORD
E 101-45200-131	Employer Paid Health	\$737.65		JAN 16 HEALTH INS-PARKS DEPT
E 101-46200-131	Employer Paid Health	\$737.64		JAN 16-HEALTH INS-CEMETERY
Total SW/WC SERVICE COOPERATIVES		\$12,749.66		
Paid Chk# 9918232 12/18/2015 TAYLOR NESMOE				
E 221-42200-404	Repairs/Maint Machinery/Equip	\$35.00	934038	FD-REPAIR PORTABLE JAWS UNIT
Total TAYLOR NESMOE		\$35.00		
Paid Chk# 9918233 12/18/2015 TEXAS REFINERY CORP				
E 101-43100-215	Shop Supplies	\$695.52	960383	CLEANERS,SUPPLIES-ST DEPT
Total TEXAS REFINERY CORP		\$695.52		
10100 United Prairie		\$87,633.12		

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Fund Summary

10100 United Prairie	
101 GENERAL FUND	\$62,209.76
205 ECONOMIC DEVELOPMENT AUTHORITY	\$1,523.70
211 LIBRARY FUND	\$1,754.80
221 FIRE DEPT FUND	\$4,961.50
230 REVOLVING LOAN FUND	\$2,000.00
231 AMBULANCE FUND	\$6,578.44
240 PROTIENT--DTED LOAN	\$70.00
360 T.I.F. #1-3 PINEBROOK	\$3,065.49
470 T.I.F. #1 HOSPITAL PROJECT FND	\$5,251.18
501 CAPITAL OUTLAY REVOLVING FUND	\$17.98
507 LAKE COMMISSION FUND	\$188.54
608 EDA----8 PLEX FUND	\$11.73
	\$87,633.12

Paid Chk# 000413E 12/7/2015 UNITED PRAIRIE BANK

E 609-46330-610 Interest	\$869.10	MASON MANOR-INTEREST PAYMENT
G 609-22800 Notes Payable - Current	\$421.43	MASON MANOR-PRINC PAYMENT
Total UNITED PRAIRIE BANK	\$1,290.53	

Paid Chk# 000414E 12/7/2015 USDA-RURAL DEVELOPMENT

E 221-42200-610 Interest	\$1,280.00	FIRE DEPT PAYMENT ON 2015 CHEV PKUP
E 221-42200-602 Other Long-Term Oblig Princ al	\$5,909.00	FIRE DEPT PAYMENT ON 2015 CHEV PKUP
Total USDA-RURAL DEVELOPMENT	\$7,189.00	

Paid Chk# 000415E 12/7/2015 PERA

E 231-42154-121 PERA	\$7,495.75	2ND HALF 2015 AMB PERA
Total PERA	\$7,495.75	

DRAFT
Regular Council Meeting
Mountain Lake City Hall
Tuesday, December 8, 2015
6:00 p.m.

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

Members Absent: None

Staff Present: Wendy Meyer, Clerk/Administrator; Maryellen Suhrhoff, Muske, Muske and Suhrhoff; Chief Doug Bristol and Officer Jacob Vitzthum, Police Dept.

Others Present: Hugh Long, Myra Long, Corinne Green, Floyd Green, Doug Regehr

Call to Order

Mayor Nelson called the meeting to order at 6:00 p.m.

Oath of Office, Officer Jacob Vitzthum

Officer Jacob Vitzthum took the oath of office. His first day of employment with the city was Nov. 30.

2016 Budget/Levy Public Meeting

Nelson opened the public meeting at 6:05 p.m. There were no residents present. The council reviewed the preliminary levy set at an increase of 10% over 2015 and discussed further reductions. Motion by Kass, seconded by Kruser, to direct the administrator to prepare a final budget and levy with an increase of 5% over 2015. The Police Dept. health insurance line-item will be reduced to reflect the change in personnel; Fund 501 reserves will be used to prevent the further reduction of city services. Motion carried unanimously. Nelson closed the public meeting at 6:25 p.m. The budget/levy and the assessed market value of their properties were discussed with residents who arrived shortly after the public meeting was closed.

Agenda and Consent Agenda

Motion by Savage, seconded by Ysker, to amend the agenda with the addition of 2K. Oberloh and Associates 2015 audit engagement letter and the removal of 4B. Squad Car, and to adopt the consent agenda and agenda as amended. Motion carried unanimously.

Bills: Check #'s 9918086-9918176; 411-412E

Payroll Checks #'s 62127-62098

Nov. 16 Council Minutes

Sept. 28 and Nov. 2 Planning and Zoning Commission Minutes

Oct. 14 Library Board Minutes, Oct. Public Library Report, Oct. Expenditures
Nov. 12 Utility Commission Minutes
Oct. and Nov. Building Permits
Grant Six Month Leave Request, Ken Classen, Fire Dept
Resolution #36-15 Accepting \$5,000 Gift on Behalf of the Tree Commission
Cigarette Licenses
Oberloh & Associates 2015 Audit Letter of Engagement

Public

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

Information Technology Provider Update

Request for Proposals were sent to area providers. The administrator is recommending the city enter into a 40 hour service agreement with Computer Lodge with offices in Jackson, Fairmont, and Worthington at a cost of \$85/hour. Motion by Savage, seconded by Ysker, to enter into the agreement. Motion carried unanimously.

Adopt Resolution # 35-15, 2016 Water and Sewer Rates

The rates and reasons they are being raised were reviewed. The increases are 2% over 2015 rates, take effect got usage after Jan. 1, 2016 and will first noticed on bills due March 5, 2016. Motion by Savage, seconded by Ysker, to adopt Resolution #35-15. Motion carried unanimously.

Electric Dept. Update

The possible development of a city/utility owned community solar project and the effect of a recent National Emission Standards for Hazardous Air Pollutants (NESHAP) for reciprocal internal combustion engines (RICE) federal court ruling on the city/utility's ability to operate the generators in the power plant in an emergency situation were discussed. No action taken.

7PM – Public Hearing, Variance Petition, 409 7th St. N.

Nelson opened the public hearing at 7:05 p.m. The owner is requesting a variance to place a small deck and steps in the residential front yard setback. Maps and other information were briefly reviewed. Nelson closed the public hearing at 7:09 p.m. Motion by Kruser, seconded by Kass, to adopt Resolution #37-15 adopting the findings of fact and granting the variance. Motion carried unanimously.

Miscellaneous

The status of providing Wi-Fi at the Island View Campground and an opening for a Cottonwood County Municipalities Representative on the SW Regional Development Commission was discussed.

Kuechle Underground, Inc. vs City of Mt. Lake Update

A court order filed Nov. 25 denying the city's motion for summary judgement was briefly discussed. Mediation will now be scheduled. Trial dates have been moved to July, 2016.

City of Mountain Lake vs. Kenneth Yoder and Rachel Yoder

Nelson closed the open meeting and opened the closed meeting at 7:20 p.m., attorney/client privilege. The closed meeting was closed and the open meeting opened at 7:57 p.m. Motion by Savage, seconded by Kass, to appeal the Award of Commissioners dated Nov. 24, 2015. Motion carried unanimously.

Adjourn

Nelson adjourned the meeting at 8 p.m.

ATTEST:

Wendy Meyer, Clerk/Administrator

REGULAR MEETING
ECONOMIC DEVELOPMENT AUTHORITY
November 13, 2015
12:00 Noon

PRESENT: Mike Nelson, Jerry Haberman, Darla Kruser, Vern Peterson, Steve Syverson and Clara Johnson, Advisor

ABSENT: Mark Hanson, Brian Harder, and Brad Hanson, Advisor

STAFF PRESENT: Rob Anderson and Marva Ott

GUESTS: Cheryl Hiebert, O/A; Kelli Anderson-Salon 310

1. Call to Order: Vern called the meeting to order.
2. Consent Agenda. Additional bills were presented from MPCA in the amounts of \$562.50 and \$437.50 to review plans on the Ross property. Rob was directed to clarify these bills and how many more we would be billed for yet. Rob also talked about the Pop'd Kerns floor bills that were presented for payment and explained. Motion made and seconded by Steve and Mike to approve the minutes, bills and financials as presented except for the additional bills until questions were answered. Carried.
3. Loan request from Kelli Anderson: Rob reviewed the history of Kelli's purchase of the salon and explained her loan request from the EDA. The bank is supportive of the loan but is unable to help out except to delay her bank payments for 2 months. The board asked Kelli several questions which she answered. Kelli was then excused from the meeting and the discussion continued regarding her request. Rob was directed to see if the bank would modify the SBA loan to extend the payments out for a longer period of time. Motion was made by Steve to approve the \$10,000.00 loan on a 10 year amortization with payments beginning in January. Darla seconded the motion. Discussion continued about asking the bank to modify their loan before we go forward with our loan but this is not part of the motion. Motion carried. Rob will approach the bank with the request to modify their loan to help Kelli out.
4. TIF District for Downtown Rehab:
 - a. Demolition contract not received back yet. The timeline for demo is the 1st week in December.
 - b. Construction committee will meet with Brunton Architects on November 19th to go over the design plan. Rob explained the design plan concept. Brief discussion but no action taken.
 - c. Other: Mike told the board that the Heritage Village will move the depot building and explained the verbal bid received from Quad Brothers. They can move it on November 30th and he is asking that the EDA approve the cost of moving not to exceed \$32,081.00 which would be the demolition cost of the building if not moved. The board discussed several things including needing to rescind previous motion made by Jerry at the last meeting regarding this. Jerry made a motion to rescind his previous motion and Steve seconded that motion. Carried. Steve then

made a motion to cover up to \$32,081.00 to move the building and Darla seconded the motion. Motion carried with Mike abstaining from the vote.

5. Daycare: Rob is still working with 2 gals who are interested in working together to do daycare at the Elizabeth House. They are working on putting a plan together and we may need a special meeting to look at the loan for them. Dilly will take care of the maintenance issues on the building that need to get done.
6. Dollar General: They are doing their due diligence on the property by the railroad. Earnest money has been received by them so it appears to be moving forward. A decision will be made after the 1st of the year with construction beginning in the spring if they decide on where to build.
7. Industrial Park Planning. Marge Hiebert may sell her property to us in the future but not now.
8. Web Site. Not ready yet.
9. General Discussion:
 - a. Free Lot Program Rules. We need to come up with a plan very soon. Extensions were discussed. Rob was directed to speak to the city attorney about doing conditions on the 2 current parties with extensions. We also need to set policy for any new lots sold to build within 3 years. Letters should be sent to all lot owners about keeping their lots mowed.
 - b. Next Regular Board Meeting is scheduled for December 11th but Rob is asking the meeting date to be moved to either the week before or the week after. The board decided to do it the week before which would be December 4, 2015.
 - c. Other: Vern spoke of getting a dentist in town again. He spoke with a dentist in the Fulda/Slayton area and wondered if we should try and work with this guy to see if he would be interested in finding a location in town for him to open a practice. He asked that we keep this on the agenda and do some research on this possibility. The board also discussed Mayo, Sanford and Fulda Credit Union looking for locations to come in to Mt. Lake. Rob told the board that the Rodney's are close to having a plan for the lower level of their building (former Pizza Ranch). They want to do take-out food now and use the rest of the lower level for office space to rent out. They need a total of \$75,000.00 with \$25,000.00 coming from the EDA, \$25,000.00 coming from the Rodney's and \$25,000.00 from the bank. They will be utilizing the SCGF money. There was also discussion about the Lao community and another business from Windom looking for space in Mt. Lake. No action taken.
10. Nothing further. Meeting was adjourned.

SPECIAL UTILITIES COMMISSION MEETING
WEDNESDAY, NOVEMBER 25, 2015
7:00 A.M.

PRESENT: Mark Langland
Todd Johnson
Mike Johnson
John Carrison
David Savage-City Council Liaison
Brett Lohrenz

ABSENT: None

Staff: Lynda Cowell – Utilities Office Manager
Wendy Meyer - City Administrator
Dave Watkins - Water/Wastewater
Kevin Krahn - Water/Wastewater Supt.
Ron Melson - Electric Supt.
Pat Oja - Lineman

Others: Andy Ristau and Chad Hanson - CMMPA/CMPAS

Mark Langland - Chairman called the special meeting of the Utilities commission for November 25, 2015 to order at 7:00 a.m.

1. Minutes and Bills: Motion by Mike Johnson seconded by Brett Lohrenz to accept the bills and minutes as presented. Motion Carried. Checks #15762-15786.
2. Water/Wastewater Department:

Nothing at this time
3. Electric Department:

CMMPA/CMPAS presentation (Andy Ristau & Chad Hanson):

****COMMUNITY SOLAR PROJECT UPDATE:** The bus bar starts at 14.5 cents/kwh but if our men do the construction it would lower it to 8.8 cents/kwh and it could go to 6.0 cents/kwh if we pay cash and ignore the interests costs. CMPAS is working with a tax accountant to see if we could capture the PTC tax credit. To get this our men would construct the solar project, sell the constructed asset to a tax equity partner at a lower cost, enter into a PPA purchase for the solar output letting the tax equity investor pass a portion of the tax credits thru to us in the PPA pricing and lastly give the tax equity firm a 1% loan where the tax equity investor gives us the low interest rate expense to us in the PPA pricing. The goal is to get the bus bar cost down to around 5 cents/kwh. The challenges that we are facing for the project are, finding an interested tax equity partner and meeting the dead lines to start the project. We are hoping the "in-service requirements" might be changed to "equipment orders or construction started" because the manufactures might not be able to make a 2016 delivery date due. The 40 kw project will have a cost of about \$70,000 and a estimated life expectancy of 20-30 years. At this time solar is not required to meet our renewable percents but we are trying to stay ahead of the requirements so we are ready when the time comes.

****MISO CAPACITY UPDATES & US EPA/RICE UPGRADES:** In January 2013 EPA NESHAP for RICE Units created emissions standard for hazardous air pollutants and said we could run our engines a maximum of 15 hours. A lawsuit was filed April 2013 by Delaware, FirstEnergy, Calpine, PSEG Power, and Conservation Law Foundation. This lawsuit basically asked if the EPA reasonably established a regulatory subcategory for the class of existing stationary spark ignition engines in sparsely populated areas and also in the RICE NESHAP, was it reasonable for EPA to refine the preexisting subcategory of

"emergency engines" to include emergency engines that operate for up to 100 hours annually. In September 2013 CMPAS filed comments with the EPA asking for 100 hours total run time including voltage/frequency support because we need a minimum of 20 hours/yr to meet MISO Module E requirements. EPA granted the 100 hours runtime (50 to test, 50 for emergency) in August 2014. Then the US Court of Appeals Decision in May 2015 threw the 100 hr. rule because the EPA did not consult NERC, FERC when they set the 100 hours limit. So unless we install catalytic converters on our 5 engines before May 2016 we will no longer meet MISO Module E requirements. CMPAS is looking into options for the members.

****GENERATION INTERCONNECTION STUDY:** Motion by Mike Johnson seconded by John Carrison to recommend to the City Council that we go ahead with the 5.9MW generation interconnection study at a cost of: \$515,000 (\$5,000 for the application (non-refundable) , \$10,000 for the system impact study (refundable),and \$40,000 for the planning study (refundable. The study will take approximately 18 months.

YOUTH FOR CHRIST PROJECT: Art Ellingson received some land on the east edge of Mountain Lake which he would like to do a project that would need electricity from the Mountain Lake Utilities. It is in the very early stages of planning at this time.

4. Office:

Adopt water and sewer rates: Motion by John Carrison seconded by Todd Johnson to accept the 2% increase in the water and sewer rates for 2016. Motion carried.

Conservation Improvement Plan (CIP): FYI - we have met our 1.5% CIP savings goal for 2015.

Meetings in December: We will have our regular meeting December 10th and the second meeting December 23rd.

Meeting adjourned.

**Regular Lake Commission Meeting
Monday, Nov. 9, 2015**

Members Present: Jim Peterson, Dave Bucklin, Jay Schied, John Oeltjenbruns,
Heather Funk, Jean Haberman

Guests Present: Michael Watkins (Boy Scouts), Cheryl Hiebert (newspaper), Mike
Nelson (Mayor), Steve Funk (Sportsmen's Club)

Chair Peterson called the meeting to order at 6:30 p.m. M/S/P Bucklin/Oeltjenbruns
to approve the minutes of the October 12, 2015 meeting, with a correction, "Dave
has submitted two aquatic invasive grants."

Treasurer's Report:

Bills:

Third Avenue Auto (oil/filter - weed harvester)	\$66.47
Third Avenue Auto (brass fitting/oil - aerator)	6.25

Budget Balance:

General Fund - Trail (\$7,500)	\$1,661.03
Lake Commission (13,000)	6,988.43

M/S/P Schied/Funk to approve Treasurer's Report

Discussion: After some discussion about concerns that were brought up regarding
purpose of the Lake Commission and if it is still a viable commission, it was
suggested that community work days be scheduled on a regular basis. Volunteers
would be recruited to help with lake and park projects (e.g. maintaining the island
trail, buckthorn removal, watering and weeding flower beds and pots, picking up
litter). Steve Funk suggested the possibility of some of the agriculture students
helping with some of the projects.

Wendy will ask the city employees what projects they will be responsible for and
what projects might have to be eliminated (e.g. swim beach) or taken over by the
Lake Commission, volunteers, or other groups like the Sportsmen's Club or DNR.

Cheryl brought up the idea of having a sand volleyball court, grill, and picnic tables,
in lieu of a swimming beach.

Aeration: Jay and Jim have gotten the prep work done for the aeration system. The
new blower has arrived and the Sportsmen's Club will reimburse the City when the
bill arrives. Jim will put the aeration notice in the newspaper for the next two weeks.
The aeration system will run from December 1 - March 30. The "thin ice" decals are
here and Radtke is working on making the blanks.

Trail: Jay has cleared 4 red cedar trees on the NW side of the lake to make the blind curve safer. He also cut trees and cleared brush on Heppner's Point to help with visibility around that blind curve. It was decided to place blind curve warning signs by Heppner's Point and at the bottom of the hill on 560th Ave. The stop sign at the bottom of the hill on 560th Ave. was stolen and the city crew will remove the post.

Michael Watkins moved the identification post closer to the east approach of the overlook.

The crack sealing has been completed.

Jim brought up the root barrier idea. Jay went to Blue Valley Sod and Landscaping and they didn't have anything like that in stock. Jim and Jean will some research about "root barriers."

Trail Map: The members looked at the proposed maps and suggested a few final changes.

- The trailhead icon (T) will be moved closer to the actual placement of the trailhead.
- The scenic point loop should be marked with a dotted line.
- Highway 60 should be added.
- Wording changes for Identification markers #2 & #7.
- Remove the swimming beach icon.

Other Business:

Jay mentioned that controlling poison ivy on the^{second} island is the responsibility of the DNR. It was clarified that the pit toilet by the boat launch belongs to the DNR; however, the city crew is maintaining it.

Matt Anderson's resigned from the Lake Commission. His work has been appreciated and he will be missed!

Respectfully submitted,

Jean Haberman,
Secretary

Police Commission Mtg
November 12, 2015

Members Present: Sue Garloff, Norm Kunkel, Chuck Witt, Chris Boldt, Doug Bristol

Call To Order: Norm Kunkel

1. October minutes read: no additions or corrections
Motion to approve: Chuck Witt: Seconded: Norm Kunkel
2. Budget Expenditures
Norm questioned vehicle maintenance of \$52.88 windshield washer repair: was not clear on what was purchased
Charger is out of commission: radiator dumped on the floor: paid local person \$144 to take to Kemna Asa
Charger is 2012: has \$5000 in repairs and mileage is 81-82,000: Mtn. Lake owns the car and may be able to sell it: Dodge is not a good vehicle for our city: Chris noted that there are 13 recalls on the Dodge Charger
Transmission is taken care of in the SUV
Bike: asked for a grant from Mtn. Lake Area Foundation: did not get it: will reapply in January: could use money for bike helmets, bike rodeo(Emily could possibly help with a local one to understand what it's all about): door checks could be done with a bike: pedal/clips are not compatible with boots: need a new bag for bike
Burning through overtime quickly: will likely go into red
Gearing up Will for gun training in Marshall \$550 plus ammo
New ammunition was just ordered: 2-3 wks for hand gun ammo and 2-3 months for rifle ammo
3. Chief's Report
Happy with the new format that shows all the calls: traffic stops "20" are mostly verbals
4. Old Business
Hiring to replace Nick: Jacob starts on Nov. 30th: retested and passed: background and psychological is good.
We lost 2.5 officers in a short amount of time:
5. New Business
Bought a new body camera: could be used on the bike: \$150 for the unit: can take videos or pictures: comes with clips for lapel: 4 hr battery recording: battery is not replaceable: picture quality is good.
Talked about using facebook for snow emergencies: Nixle is currently used.

Motion to adjourn: Chuck Witt: Seconded: Sue Garloff

Resolution #34-15
Mountain Lake City Council
Mountain Lake, Minnesota

A RESOLUTION ATTACHING
PROPERTY DEMOLITION AND WELL CLOSING COSTS
TO PROPERTY TAXES FOR COLLECTION AT 412 7TH STREET NORTH;
PIN 22.520.1740; N67' OF S84' W1/2 ALLEY BETWEEN LOTS 10 AND 11, N67' OF S84' LOTS 11
AND 12, BLOCK 20; ORIGINAL TOWNSITE, CITY OF MOUNTAIN LAKE.

Whereas, Erich Kruger is the owner of 412 7th St. N. (PIN 22.520.1740) hereafter 'the property';
and;

Whereas, the City of Mt. Lake received a Court Order dated August 20, 2014 to repair or to raze
and remove buildings located on the property, and

Whereas, during the razing and removal of the buildings an open well was sealed; and

Whereas, the cost to raze and remove the buildings and seal the well totaled \$21,196.89; and

Whereas, the property owner was notified of the cost to raze and remove the buildings and
seal the well in a letter dated Nov. 5, 2015, and to date the bill remains unpaid.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mt. Lake that it approve
the certification as listed above, \$21,196.89, payable in ten (10) installments at 2% interest; and

BE IT FURTHER RESOLVED that the City Clerk is hereby authorized and directed to certify the
same to the County Auditor.

Adopted by the Council this 22nd day of December, 2015.

Mike Nelson, Mayor

ATTEST: _____
Wendy Meyer, Administrator/Clerk

**Resolution #39-15
Mountain Lake City Council
Mountain Lake, Minnesota**

A RESOLUTION ATTACHING UNPAID PUBLIC NUISANCE ABATEMENT AND LAWN MOWING COSTS TO THE PROPERTY TAXES FOR COLLECTION AT 826 10TH STREET NORTH; PIN 22.443.0140; N79' OF W200', LOT 5, KLAASSEN'S REARRANGEMENT; CITY OF MOUNTAIN LAKE

Whereas, Thonglinh Khemphoma and Vorn Chanton are the owners of 826 10th St. N. (PIN 22.443.0140), hereafter "the property"; and

Whereas, the property owners were notified of the public nuisances found on the property but did not abate them and;

Whereas, the Mt. Lake City Council at their April 7 meeting authorized abating the public nuisance using the procedure found in Section 8.03, Subdivision 6, Paragraph 1C and directed that the costs to abate the nuisances, a total of \$688.69, be billed to the property owners, and if not paid attached to the property's property taxes for collection; and

Whereas, the property was found to be in violation of Mt. Lake Ordinance 8.17 Subd. 1 and 2 and therefore the Mt. Lake Street Department mowed the property four (4) times during 2015; at a total cost of \$600.00; and

Whereas, Mt. Lake Ordinance 8.17 Subd. 3 allows unpaid mowing charges to be certified to the county auditor for collection as other taxes are collected; and

Whereas, the property owners were notified of the costs to abate the public nuisances and mow the grass and to date these bills remain unpaid.

Now, Therefore Be It Resolved by the City Council of the City of Mt. Lake that it approve the certification for the amounts listed above, totaling \$1,288.69, payable in two (2) installments at 2% interest; and

Be It Further Resolved that the City Clerk is hereby authorized and directed to certify the same to the County Auditor.

Adopted by the Council this 22nd day of December, 2015.

Mike Nelson, Mayor

ATTEST: _____
Wendy Meyer, Administrator/Clerk

Ambulance Service Billing Agreement

EXPERT T BILLING AND THE CITY OF MOUNTAIN LAKE AMBULANCE

This agreement for service commencing on January 1, 2016 between the City of Mountain Lake Ambulance, a Minnesota municipal corporation ("CITY) and Expert T Billing, a Minnesota corporation ("CONTRACTOR") shall specify the billing services the CONTRACTOR will provide to the CITY.

1. CONTRACTOR SERVICES AND OBLIGATIONS

1.1 The CONTRACTOR agrees to provide and furnish ambulance billing service for the accounts receivable of the CITY as follows:

- 1.1.1 Preparation of initial and monthly statements for all accounts and mailing to responsible parties.
- 1.1.2 Submitting claims to all insurance companies, including Medicare, Medicaid, VA and other insurance providers.
- 1.1.3 Processing and assisting individuals with accounts and with third party insurance payments (private insurance) in order to coordinate payment to the CITY.
- 1.1.4 Issue up to three (3) billing statements on each account.
- 1.1.5 Issue delinquent account letters on all accounts that have not had payment activity for 120 days.
- 1.1.6 Perform telephone follow-up calls on accounts to patients, medical providers, insurance carriers, or other facilitators to ensure reasonable collection efforts have been attempted. This would include the use of internet resources when applicable.
- 1.1.7 Per CITY authorization or directive, refer to a designated collection agency delinquent accounts which have failed to have payment activity after the delinquent account letter was mailed.
- 1.1.8 All accounts authorized for collection agency handling and as permitted under MN State Statute 270 A, shall be submitted to the Minnesota Department of Revenue and certified for collection per the Minnesota Revenue Recapture Act.
- 1.1.9 Furnish to the CITY a monthly accounting of all charges and revenue statements handled during the month as well as other billing system reports.

- 1.1.10 Respond to inquiries from individuals who have received ambulance service which are related to their accounts and balances due.
- 1.1.11 Forward complaints and all written comments received regarding the CITY to the CITY'S designee.
- 1.1.12 Retain possession of a back-up billing software program at a secure off-site location.
- 1.1.13 Perform and maintain a computer back-up of accounts receivable records on a daily basis.
- 1.1.14 At the termination of this agreement, return to the CITY all accounts receivable records and billing information as provided by the CITY over the course of the billing agreement(s).
- 1.1.15 Train and, where required, license CONTRACTOR personnel to provide services hereunder and to provide such services in accordance with all applicable laws, ordinances, regulations and rules of federal, state and local authority. CONTRACTOR will obtain all necessary certificates, permits and licenses at CONTRACTOR'S sole expense and, upon request, provide the CITY with evidence thereof.
- 1.1.16 Maintain a general liability insurance policy with a contract liability rider of \$2,000,000 annual aggregate and \$1,000,000 per occurrence. The CITY shall be named as an additional insured on the policy.

2. **CITY OBLIGATIONS**

- 2.1 The CITY agrees to provide and furnish the CONTRACTOR the following:
 - 2.1.1 Information required by the CONTRACTOR to properly bill the accounts. Information shall be in the form of legible paper EMS Patient Care Reports (PCRs) or from electronic Patient Care Reports. Legible information shall be required from electronic as well as paper information.
 - 2.1.2 THE CITY shall whenever possible, provide the CONTRACTOR with hospital admission face sheets and other information, including patient signatures, which may be available and legally obtainable for individuals receiving ambulance service when necessary for billing purposes.
 - 2.1.3 The CITY shall provide the CONTRACTOR with information that is necessary regarding collection for accounts that remain delinquent after the CONTRACTOR has provided billing services.

3. **PAYMENT FOR SERVICES**

3.1 The CITY agrees to pay for services performed by the CONTRACTOR as follows:

3.1.1 The charge of \$27.00 per each billable transport. Pricing will be reviewed and potentially adjusted no more frequently than every 2 years.

3.2 The CONTRACTOR shall invoice the CITY on a monthly basis for services rendered and payment of each invoice shall be due within 30 days of the date of the invoice.

4. **TERM, DEFAULT, AND TERMINATION**

4.1 This agreement shall be effective on the date first mentioned above and shall extend through and include December 31, 2020 unless terminated prior to that date pursuant to this Article Four.

4.2 If any one or more of the following occurs: (1) a payment due from CITY to CONTRACTOR shall be and remain unpaid in whole or in part for more than sixty (60) days after same is due and payable; (2) CITY shall violate or default on any of the other covenant agreements, stipulations or conditions herein and such violation or default shall continue for a period of ten (10) days after written notice from CONTRACTOR of such violation or default; then it shall be optional for CONTRACTOR, without further demand or notice, to declare this agreement forfeited and the said Term ended and CONTRACTOR shall not be liable for damages by reason of such termination; but notwithstanding termination by CONTRACTOR, the liability of CITY for the payments provided herein shall not be relinquished or extinguished for the services provided prior to termination. CITY shall be responsible for, in addition to the payments agreed to be paid hereunder, reasonable attorneys' fees and costs incurred by CONTRACTOR to enforce the provisions of this Agreement or to collect the payments due CONTRACTOR hereunder.

4.3 Each right or remedy of CONTRACTOR provided for in this agreement shall be cumulative and shall be in addition to every other right or remedy provided for in this agreement now or hereafter existing at law or in equity or by statute or otherwise.

4.4 CONTRACTOR shall not be deemed to be in default under this agreement until CITY has given CONTRACTOR written notice specifying the nature of the default and CONTRACTOR does not cure such default within (30) days after receipt of such notice or within such reasonable time thereafter as may be necessary to cure such default where such default is of such a character as to reasonably require more than thirty (30) days to cure.

4.5 CITY or CONTRACTOR may terminate this agreement for any reason upon 60 days written notice.

5. **INDEMNIFICATION**

- 5.1 Each party agrees that it shall protect, indemnify and hold harmless from and against all liabilities, actions, damages, claims, demands, judgment, losses, costs, expenses, suits or actions and attorneys' fees, and shall defend the other in any suit, including appeals, for loss or damage to property caused by the negligent acts or omissions of the indemnifying party, its agents or employees, in connection with or as a result of this agreement, the performance of either party's obligations hereunder or the performance of services governed by this agreement. Neither party shall be required to reimburse, defend or indemnify the other party for loss or claim due to the negligence of such other party. In case of joint or concurrent negligence of the parties giving rise to a loss or claim against either one or both, each shall have full rights of contribution against the other.
- 5.2 Each party shall promptly notify the other party of the assertion of any claim against which the party is indemnified by the other party.

6. **GENERAL PROVISIONS**

- 6.1 Nothing in this agreement is intended or shall be construed to create an employer - employee relationship, a partnership, a joint venture, or a lessor-lessee relationship between the parties.
- 6.2 Each party understands and agrees that it is responsible for payment of the wages, salaries and benefits of its own employees and that the other party shall not pay or withhold any sums for income tax, unemployment insurance, workers compensation premiums, social security or any other withholding required by law or any other agreement.
- 6.3 This agreement shall be interpreted, construed and governed by the laws of the State of Minnesota.
- 6.4 This agreement may be amended or modified only in writing and signed by both parties.
- 6.5 This agreement constitutes the entire agreement between the parties and shall bind and inure to the benefit of the CITY and the CONTRACTOR and their respective successors and assigns.
- 6.6 This agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute only one agreement.
- 6.7 Any notice required or permitted under this agreement shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to CONTRACTOR to:

Expert T. Billing Attention: Bill Schommer
400 Third Street
Farmington, Minnesota 55024

If to CITY to:

City of Mountain Lake
P.O. Box C
Mountain Lake, MN 56159

CONTRACTOR and CITY shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

6.8 If any term or provision of this agreement shall to any extent be held invalid or unenforceable, the remainder shall not be affected thereby, and each other term and provision of this agreement shall be valid and be enforced to the fullest extent permitted by law. No receipts or acceptance by CONTRACTOR from CITY of less than the monthly payments herein stipulated shall be deemed to be other than a partial payment on account for any due and unpaid amounts; no endorsement or statement of any check or any letter or other writing accompanying any check or payment of rent to CONTRACTOR shall be deemed an accord and satisfaction, and CONTRACTOR may accept and negotiate such check or payment without prejudice to CONTRACTOR's rights to (i) recover the remaining balance of such unpaid amounts or (ii) pursue any other remedy provided in this agreement. Time is of the essence with respect to the due performance of the terms, covenants and conditions herein contained.

6.9 **HIPAA BUSINESS ASSOCIATE ADDENDUM**

The attached updated HIPAA Business Associate Addendum is incorporated herein in order to satisfy the requirements of the final and/or amended regulations in compliance with the privacy regulations pursuant to Public Law 104-191 of August 21, 1996, known as the Health Insurance Portability and Accountability Act of 1996.

IN WITNESS WHEREOF, each of the parties hereto has caused this agreement to be executed on its behalf by its duly authorized officer or other representatives on this _____ day of _____, 2015.

CITY OF MOUNTAIN LAKE

EXPERT T BILLING

By: _____

By: _____

Its: _____

Bill Schommer
President

By: _____

Its: _____

City of Mountain Lake
HIPAA Business Associate Agreement

THIS AGREEMENT is made effective, January 1, 2016 by and between **EXPERT T BILLING ("BUSINESS ASSOCIATE")** and **THE CITY OF MOUNTAIN LAKE**, on its own behalf and for the benefit of all present and future entities that are legal affiliates of THE CITY OF MOUNTAIN LAKE. The purpose of this Agreement is to satisfy certain obligations of Business Associate and THE CITY OF MOUNTAIN LAKE under the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (45 C.F.R. Parts 160-64) ("**HIPAA**"), and the federal Health Information Technology for Economic and Clinical Health Act ("**HITECH Act**") to ensure the integrity and confidentiality of Protected Health Information ("**PHI**") and Electronic Protected Health Information ("**EPHI**").

In consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Business Associate and THE CITY OF MOUNTAIN LAKE agree as follows:

1. **Definitions.** Capitalized terms used, but not otherwise defined, in this Agreement shall have the meanings given them in HIPAA. Nothing in this definitions section shall be construed to conflict with the definitions contained in HIPAA, the HITECH Act, or any regulations implementing the provisions of HIPAA and the HITECH Act. For convenience of reference, the following are applicable as of the Effective Date as follows:

1.1 "**Breach**" means the acquisition, access, use, or disclosure of protected health information ("**PHI**") in a manner not permitted under HIPAA which compromises the security or privacy of the PHI.

Breach excludes:

- a. Any unintentional acquisition, access, or use of PHI by a workforce member or person acting under the authority of a covered entity or business associate if such acquisition, access, or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under HIPAA.
- b. Any inadvertent disclosure by a person who is authorized to access PHI at a covered entity or business associate to another person authorized to access PHI at the same covered entity or business associate, or organized health care arrangement in which the covered entity participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted under HIPAA.

- c. A disclosure of PHI where a covered entity or business associate has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.

Except as provided in paragraph (a) of this definition, an acquisition, access, use, or disclosure of protected health information in a manner that is not permitted under 45 C.F.R. Part 164, Subpart E is presumed to be a breach unless the covered entity or business associate, as applicable, demonstrates that there is a low probability that the protected health information has been compromised based on a risk assessment of at least the following factors:

- a. The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
- b. The unauthorized person who used the protected health information or to whom the disclosure was made;
- c. Whether the protected health information was actually acquired or viewed; and
- d. The extent to which the risk to the protected health information has been mitigated.

"Covered Entity" means a health plan, health care clearinghouse, or a healthcare provider who transmits any health information in connection with a transaction that falls within the scope of HIPAA, the HITECT Act, or any regulations implementing HIPAA and the HITECH Act.

1.2 **"Electronic Protected Health Information" ("EPHI")** means PHI that is transmitted by electronic media or maintained in electronic media.

1.3 **"Individually Identifiable Health Information"** means information that is a subset of health information, including demographic information collected from an individual, and (i) is created or received by a healthcare provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and (a) that identifies the individual, or (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

1.4 **"Privacy Rule"** means the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and Part 164, Subparts A and E.

1.5 **"Protected Health Information" ("PHI")** means individually Identifiable Health Information that Business Associate receives from THE CITY OF MOUNTAIN LAKE or from another business associate of THE CITY OF MOUNTAIN LAKE or which Business Associate creates for THE CITY OF MOUNTAIN LAKE which is transmitted or maintained in any form or medium. "Protected Health Information" shall not include education records covered by the Family Educational Right and Privacy Act, as amended, 20 U.S.C. §12329, or records described in 20 U.S.C. §1232g (a)(4)(B)(iv), or employment records held by THE CITY OF MOUNTAIN LAKE in its role as employer.

1.6 **"Security Incident"** means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

1.7 **"Security Rule"** means the standards for security of electronically stored protected health information as outlined at 45 C.F.R. Part 160 and Part 164, Subparts A and E.

1.8 **"Secretary"** shall mean the Secretary of the United States Department of Health and Human Services.

2. **Applicability of Terms: Conflicts:** This Agreement applies to all past, present, and future contracts and relationships between Business Associate and THE CITY OF MOUNTAIN LAKE, written or unwritten, formal or informal, in which THE CITY OF MOUNTAIN LAKE provides any Protected Health Information to Business Associate in any form whatsoever. This Agreement shall automatically be incorporated in all subsequent agreements between Business Associate and THE CITY OF MOUNTAIN LAKE involving the use or disclosure of Protected Health Information whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this Agreement and a provision of any other agreement between Business Associate and THE CITY OF MOUNTAIN LAKE, the provision of this Agreement shall control unless: (i) THE CITY OF MOUNTAIN LAKE specifically agrees to the contrary in writing, or (ii) the provision in such other agreement establishes additional rights for THE CITY OF MOUNTAIN LAKE or additional duties for or restrictions on Business Associate with respect to Protected Health Information, in which case the provision of such other agreement will control.

3. **Obligations and Activities of Business Associate.**

3.1 **Non-disclosure:** Business Associate will not use or disclose Protected Health Information other than as permitted or required by this Agreement or as required by law or as otherwise authorized by THE CITY OF MOUNTAIN LAKE.

Business Associate must limit any use, disclosure, or request for use or disclosure to the minimum amount necessary to accomplish the intended purpose of the use, disclosure, or request in accordance with the requirements of HIPAA.

3.2 Safeguards: Business Associate will use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement. Business Associate will develop, implement, maintain and use appropriate administrative, technical and physical safeguards to preserve the integrity and confidentiality of and to prevent non-permitted or violating use or disclosure of Protected Health Information which is transmitted electronically. Business Associate will document and keep these safeguards current. Business Associate will also comply with all applicable security standards outlined in the Security Rule with respect to EPHI. To the extent Business Associate performs Covered Entity's obligations under 45 C.F.R. Part 164, Subpart E, Business Associate shall comply with all requirements imposed by 45 C.F.R. Part 164, Subpart E, in the performance of such obligations.

3.3 Mitigation: Business Associate will mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

3.4 Reporting: Business Associate will report to the Privacy Officer of THE CITY OF MOUNTAIN LAKE, in writing, any use and/or disclosure of Protected Health Information that is not permitted or required by this Agreement or any security incident of which Business Associate becomes aware. Such report shall be made as soon as reasonably possible but in no event more than five (5) business days after discovery by Business Associate of such unauthorized use or disclosure or security incident. This reporting obligation shall include breaches by Business Associate, its employees, subcontractors and/or agents. Each such report under this section will: (i) identify the nature of the non-permitted or violating use or disclosure; (ii) identify the Protected Health Information used or disclosed; (iii) identify who made the non-permitted or violating use or disclosure; (iv) identify who received the non-permitted or violating use or disclosure; (v) identify what corrective action Business Associate took or will take to prevent further non-permitted or violating uses or disclosures; (vi) identify what Business Associate did or will do to mitigate any deleterious effect of the non-permitted or violating use or disclosure; and (vii) provide such other information as THE CITY OF MOUNTAIN LAKE may reasonably request.

3.5 Agents and Subcontractors: Business Associate will ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of, THE CITY OF MOUNTAIN LAKE agrees to the same restrictions

and conditions that apply through this Agreement to Business Associate with respect to such information. In the event any subcontractors create, receive, maintain, or transmit EPHI on behalf of Business Associate, Business Associate must ensure the subcontractors agree to comply with the applicable parts of the Security Rule by entering into a contract or other arrangement that complies with 45 C.R.F. § 164.314, as it may be amended from time to time.

3.6 Access: Business Associate will provide access, within five (5) business days of receiving a written request from THE CITY OF MOUNTAIN LAKE , to Protected Health Information from a Designated Record Set of THE CITY OF MOUNTAIN LAKE , to THE CITY OF MOUNTAIN LAKE (or, as directed by THE CITY OF MOUNTAIN LAKE , to an individual) in order to meet the requirements under 45 C.F.R. § 164.524. This provision does not apply if Business Associate and its employees, subcontractors and agents have no Protected Health Information from a Designated Record Set of THE CITY OF MOUNTAIN LAKE . Business Associate will allow THE CITY OF MOUNTAIN LAKE to audit Business Associate's practices as necessary and appropriate.

3.7 Amendments: Business Associate will make, upon written request from THE CITY OF MOUNTAIN LAKE , any amendment(s) to Protected Health Information in a Designated Record Set of THE CITY OF MOUNTAIN LAKE that THE CITY OF MOUNTAIN LAKE directs or agrees to pursuant to 45 C.F.R. § 164.526. This provision does not apply if Business Associate and its employees, subcontractors and agents have no Protected Health Information from a Designated Record Set of THE CITY OF MOUNTAIN LAKE .

3.8 Records: Business Associate will make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, THE CITY OF MOUNTAIN LAKE available to the Secretary during regular business hours within five (5) business days of receiving a written request from THE CITY OF MOUNTAIN LAKE , or sooner if requested by the Secretary, for purposes of the Secretary determining THE CITY OF MOUNTAIN LAKE 's compliance with HIPAA.

3.9 Accounting for Disclosures: Business Associate will document such disclosures by Business Associate and its employees, subcontractors and agents of Protected Health Information and information related to such disclosures as would be required for THE CITY OF MOUNTAIN LAKE to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. §164.528. Business Associate agrees to provide to THE CITY OF MOUNTAIN LAKE (or an individual, at THE CITY OF MOUNTAIN LAKE 's request), within five (5) business days of

receiving a written request from THE CITY OF MOUNTAIN LAKE , information collected in accordance with the preceding sentence, to permit THE CITY OF MOUNTAIN LAKE to respond to a request by an Individual for such an accounting of disclosures.

3.10 Alternative Communication: At THE CITY OF MOUNTAIN LAKE 's request, Business Associate will implement reasonable alternative means or locations of communication with an Individual, as necessary to honor a request granted by THE CITY OF MOUNTAIN LAKE pursuant to 45 C.F.R. §§ 164.522 or 164.526, respectively. Except as the Agreement or any other agreement between THE CITY OF MOUNTAIN LAKE and Business Associate may provide otherwise, in the event Business Associate receives an access, amendment, disclosure accounting or confidential communications or other similar request directly from an Individual, Business Associate will redirect the Individual to appropriate THE CITY OF MOUNTAIN LAKE personnel. Business Associate will maintain records related to disclosures of Protected Health Information for at least six (6) years after the date of the disclosure.

4. Breach Notification.

Business Associate agrees not to use or disclose (or permit the use or disclosure of) PHI in a manner that would violate the Privacy Rule or Security Rule if the PHI were used or disclosed by THE CITY OF MOUNTAIN LAKE in the same manner. Business Associate agrees to implement systems to discover and promptly report any breach of unsecured PHI, as those terms are defined in 45 C.F.R. § 164.402, as it may be amended from time to time.

4.1. Notification: Business Associate shall, following the discovery of a breach of unsecured PHI, notify THE CITY OF MOUNTAIN LAKE immediately, and in no event later than three (3) calendar days after Business Associate discovers such HIPAA breach, unless Business Associate is prevented from doing so by 45 C.F.R. § 164.412 concerning law enforcement investigations. For purposes of reporting a HIPAA Breach to THE CITY OF MOUNTAIN LAKE , the discovery of a HIPAA Breach shall occur as of the first day on which such HIPAA Breach is known to the Business Associate or, by exercising reasonable diligence, would have been known to the Business Associate. Business Associate will be considered to have had knowledge of a HIPAA Breach if the HIPAA Breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the HIPAA Breach) who is an employee, officer or other agent of the Business Associate.

No later than seven (7) calendar days following discovery of a breach, Business Associate shall provide THE CITY OF MOUNTAIN LAKE with sufficient information to permit THE CITY OF MOUNTAIN LAKE to comply with the HIPAA Breach notification requirements set forth at 45 C.F.R. § 164.400

et seq. Specifically, if the following information is known to (or can be reasonably obtained by) the Business Associate, Business Associate will provide THE CITY OF MOUNTAIN LAKE with: (i) contact information for individuals who were or who may have been impacted by the HIPM Breach (e.g., first and last name, mailing address, street address, phone number, email address) (ii) a brief description of the circumstances of the HIPM Breach, including the date of the HIPM Breach and date of discovery; (iii) a description of the types of unsecured PHI involved in the HIPM Breach (e.g., names, social security number, date of birth, address(es), account numbers of any type, disability codes, diagnostic and/or billing codes and similar information); and (iv) a brief description of what the Business Associate has done or is doing to investigate the HIPAA Breach, mitigate harm to the individual(s) impacted by the HIPM Breach, and protect against future HIPM Breaches. Following a HIPAA Breach, Business Associate will have a continuing duty to inform THE CITY OF MOUNTAIN LAKE of new information learned by Business Associate regarding the HIPM Breach, including but not limited to the information described in items (i) through (iv), above.

4.2 Data Breach Notification and Mitigation Under Other Laws: Business Associate agrees to implement reasonable systems for the discovery and prompt reporting of any breach of individually identifiable information (including but not limited to Protected Health Information, and referred to hereinafter as "Individually Identifiable Information") that, if misused, disclosed, lost or stolen, THE CITY OF MOUNTAIN LAKE believes would trigger an obligation under one or more State data breach notification laws (each a "State Breach") to notify the individuals who are the subject of the information. Business Associate agrees that in the event any Individually Identifiable information is lost, stolen, used or disclosed in violation of one or more State data breach notification laws, Business Associate shall promptly: (i) cooperate and assist THE CITY OF MOUNTAIN LAKE with any investigation into any State Breach or alleged State Breach; (ii) cooperate and assist THE CITY OF MOUNTAIN LAKE with any investigation into any State Breach or alleged State Breach conducted by any State Attorney General or State Consumer Affairs Department (or their respective agents); (iii) comply with THE CITY OF MOUNTAIN LAKE determinations regarding THE CITY OF MOUNTAIN LAKE's and Business Associate's obligations to mitigate to the extent practicable any potential harm to the individuals impacted by the State Breach; and (iv) assist with the implementation of any decision by THE CITY OF MOUNTAIN LAKE or any State agency, including any State Attorney General or State Consumer Affairs Department (or their respective agents), to notify individuals impacted or potentially impacted by a State Breach.

4.3 Breach Indemnification: Business Associate shall indemnify, defend and hold THE CITY OF MOUNTAIN LAKE and its city council members, officers, directors, employees, agents, successors, and assigns harmless, from and against all reasonable losses, claims, actions, demands, liabilities, damages,

costs and expenses (including costs of judgments, settlements, court costs and reasonable attorneys' fees actually incurred) (collectively, "Information Disclosure Claims") arising from or related to: (i) the use or disclosure of Individually Identifiable Information (including Protected Health Information) by Business Associate, its employees, agents, or subcontractors in violation of the terms of this Agreement or applicable law, and (ii) whether in oral, paper or electronic media, any HIPAA Breach of unsecured Protected Health Information and/or State Breach of Individually Identifiable Information by Business Associate, its employees, agents, or subcontractors.

To the extent permitted by law, THE CITY OF MOUNTAIN LAKE shall indemnify, defend and hold Business Associate and its officers, directors, employees, agents, successors and assigns harmless, from and against all reasonable losses, claims, actions, demands, liabilities, damages, costs and expenses (including costs of judgments, settlements, court costs and reasonable attorneys' fees actually incurred) (collectively, "Information Disclosure Claims") arising from or related to: (i) the user or disclosure of Individually Identifiable Information (including PHI) by THE CITY OF MOUNTAIN LAKE , its subcontractors, agents, or employees in violation of the terms of this Agreement or applicable law, and (ii) whether in oral, paper or electronic media, any HIPAA Breach of unsecured PHI and/or State Breach of Individually Identifiable Information by THE CITY OF MOUNTAIN LAKE , its subcontractors, agents, or employees. Business Associate shall not be considered a subcontractor of THE CITY OF MOUNTAIN LAKE under this indemnification section.

4.4 **THE CITY OF MOUNTAIN LAKE 'S Breach Notification Duties:** THE CITY OF MOUNTAIN LAKE shall, following the discovery of a breach of unsecured PHI, provide notification in accordance with its Breach Notification Policy.

5. **Permitted Uses and Disclosures by Business Associate.**

5.1 **Functions and Activities on THE CITY OF MOUNTAIN LAKE 's Behalf.** Except as otherwise limited in this Agreement or any other agreement between Business Associate and THE CITY OF MOUNTAIN LAKE , Business Associate may use or disclose Protected Health Information on behalf of, or to provide services to, THE CITY OF MOUNTAIN LAKE only for purposes authorized by THE CITY OF MOUNTAIN LAKE in a separate written agreement or through specific oral instruction, if such use or disclosure of Protected health Information would not violate HIPAA if done by THE CITY OF MOUNTAIN LAKE itself. The uses specified in such separate written agreements are incorporated herein by reference.

5.2 **Disclosures of PHI.** Business Associate shall not use or disclose PHI unless authorized by this agreement or permitted by law. Except as otherwise limited in this Agreement or any other agreement between Business Associate

and THE CITY OF MOUNTAIN LAKE : (a) Business Associate may use Protected Health Information for Business Associate's proper management administration or to carry out Business Associate's legal responsibilities; (b) Business Associate may disclose Protected Health Information for Business Associate's proper management and administration, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the Protected Health Information is disclosed that (i) it will remain confidential and will be used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and (ii) the person will notify Business Associate of any instances of which it is aware in which the confidentiality of the Protected Health Information has been breached.

5.2 **Minnesota Government Data Practices Act.** Government data made available to Business Associate in performing its functions pursuant to this or other agreement with THE CITY OF MOUNTAIN LAKE shall be administered consistent with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13. Insofar as, under this or other agreement, Business Associate performs any function of THE CITY OF MOUNTAIN LAKE , data created, collected, received, stored, used, maintained or disseminated by Business Associate in performing that function is subject to the requirements of Minn. Stat. Ch. 13, and Business Associate must comply with those requirements. This agreement does not permit Business Associate to provide access to public data to the public.

6. **"Trading Partner" Provisions: Use and Disclosure in Connection with Standard Transactions.** If Business Associate conducts Standard Transactions (as defined in 45 C.F.R. Part 162) for or on behalf of THE CITY OF MOUNTAIN LAKE , Business Associate will comply, and will require each subcontractor or agent involved with the conduct of such Standard Transactions to comply, with each applicable requirement of 45 C.F.R. Part 162. Business Associate will not enter into, or permit its subcontractors or agents to enter into, any trading partner agreement in connection with the conduct of Standard Transactions for or on behalf of THE CITY OF MOUNTAIN LAKE that: (i) changes the definition, data condition, or use of a data element or segment in a standard or operating rule, except where necessary to implement State or Federal law, or to protect against fraud and abuse; (ii) adds any data elements or segments to the maximum defined data set; (iii) uses any code or data element that is marked "not used" in the Standard Transaction's implementation specification or is not in the Standard Transaction's implementation specification; or (iv) changes the meaning or intent of the Standard Transaction's implementation specification.

7. Term and Termination.

7.1. **Term.** The term of this Agreement shall commence as of the Effective Date, and shall terminate when all of the Protected Health Information provided by THE CITY OF MOUNTAIN LAKE to Business Associate, or created or received by Business Associate on behalf of THE CITY OF MOUNTAIN LAKE , is destroyed or returned to THE CITY OF MOUNTAIN LAKE , or, if it is infeasible to return

or destroy Protected Health Information, protections are extended to such Protected Health Information in accordance with the provisions of this Section 7.

7.2 Termination for Cause. As provided in HIPAA, including 45 C.F.R. § 164.504(e)(2)(iii), upon THE CITY OF MOUNTAIN LAKE 's reasonable determination that Business Associate has breached a material term of this Agreement, THE CITY OF MOUNTAIN LAKE shall be entitled to do any one or more of the following:

(a) Give Business Associate written notice of the existence of such breach and given Business Associate an opportunity to cure upon mutually agreeable terms. If Business Associate does not cure the breach or end the violation according to such terms, or if THE CITY OF MOUNTAIN LAKE and Business Associate are unable to agree upon such terms, THE CITY OF MOUNTAIN LAKE may immediately terminate any agreement between THE CITY OF MOUNTAIN LAKE and Business Associate which is the subject of such breach.

(b) Immediately terminate any agreement between THE CITY OF MOUNTAIN LAKE and Business Associate which is the subject of such breach.

(c) Immediately stop all further disclosures of Protected Health Information to Business Associate.

7.3 Effect of Termination. Upon receipt of written demand from THE CITY OF MOUNTAIN LAKE , Business Associate agrees to immediately return or destroy, except to the extent infeasible, all Protected health Information demanded by THE CITY OF MOUNTAIN LAKE , including all such Protected Health Information which Business Associate has disclosed to its employees, subcontractors and/or agents. Destruction shall include destruction of all copies including backup tapes and other electronic backup medium. In the event the return or destruction of some or all such Protected Health Information is infeasible, Protected Health Information not returned or destroyed pursuant to this paragraph shall be used or disclosed only for those purposes that make return or destruction infeasible.

7.4 Continuing Privacy Obligation. Business Associate's obligation to protect the privacy of Protected Health Information is continuous and survives any termination, cancellation, expiration, or other conclusions of this Agreement or any other agreement between Business Associate and THE CITY OF MOUNTAIN LAKE .

8. **Notices.** All notices pursuant to this Agreement must be given in writing and shall be effective when received if hand-delivered or upon dispatch if sent by reputable overnight delivery service, facsimile or U.S. Mail to the appropriate address or facsimile number as set forth at the end of this Agreement.
9. **Miscellaneous.** Business Associate and THE CITY OF MOUNTAIN LAKE agree that individuals who are the subject of Protected Health Information are not third-party beneficiaries of this Agreement. In the event that any provision of this Agreement violates any applicable statute, ordinance or rule of law in any jurisdiction that governs this Agreement, such provision shall be ineffective to the extent of such violation without invalidating any other provision of this Agreement. This Agreement may not be amended, altered or modified except by written agreement signed by Business Associate and THE CITY OF MOUNTAIN LAKE. No provision of this Agreement may be waived except by an agreement in writing signed by the waiving party. A waiver of any term or provision shall not be construed as a waiver of any other term or provision. Nothing in Section 3 of this Agreement shall be deemed a waiver of any legally-recognized claim of privilege available to Business Association. The persons signing below have the right and authority to execute this Agreement for their respective entities and no further approvals are necessary to create a binding Agreement. Neither THE CITY OF MOUNTAIN LAKE nor Business Associate shall use the names or trademarks of the other party or of any of the respective party's affiliated entities in any advertising, publicity, endorsement, or promotion unless prior written consent has been obtained for the particular use contemplated. All references herein to specific statutes, codes or regulations shall be deemed to be references to those statutes, codes or regulations as may be amended from time to time.
- 1a. **Independent Contractor.** Nothing in this Agreement shall be construed to create (i) a partnership, joint venture or other joint business relationship between the parties or any of their affiliates, or (ii) a relationship of employer and employee between the parties. Business Associate is an independent contractor, not an agent of THE CITY OF MOUNTAIN LAKE.

[SIGNATURE PAGE FOLLOWS]

BUSINESS ASSOCIATE

By: _____

Bill Schommer

Date: _____

Its: President

Address for notices:

Expert T Billing

400 Third Street

Farmington, MN 55024

THE CITY OF MOUNTAIN LAKE

By: _____

Date: _____

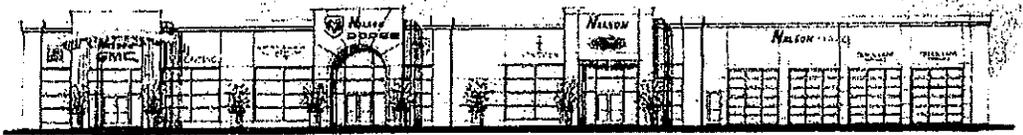
Its: _____

By: _____

Date: _____

Its: _____

Address for notices:



Fleet Department

2228 College Way • PO Box 338 • Fergus Falls, MN 56538-0338
 218-998-8866 • 800-477-3013 Ext. 8866 • Fax 218-998-8813 • www.nelsonfergusfalls.com

VEHICLE QUOTE NUMBER F MtnLk K8A

Sold To: Mountain Lake, MN, City of
 Attn: Douglas Bristol, Chief
 Address: P.O. Box C
 Mountain Lake, MN 56159
 dbristol@mountainlake.govoffice.com

Date: 12/08/2015
 Phone: 507-427-2999
 FAX:
 Salesperson: Gerry Wornor
 Key Code: Ignition/Door:

Stock No.	Year	Make	Model	New/Used	Vehicle ID Number
MtnLk K8A	2016	Ford Police Interceptor	4dr Police Utility	New	0
Color: White/Black cloth/vinyl					

Price of Vehicle	Contract 83065	2016 price	\$25,562.95
Includes std. rearview camera display in 4 inch screen in instrument panel			
Options & Extras			\$1,599.00
Add for Dept. options per specs		\$1,454.00	
Dealer installed options:			
2 Dealer provided keys		\$20.00	
Dealer silence chime tone for key in ignition		\$125.00	

Delivery		\$0.00
Subtotal		\$27,161.95
Trade - In		
Total Cash Price	each:	\$27,161.95

Terms: Net 30 days; add daily interest at 1.5%/month if we receive payment later

Your Purchase Order #

Project # MN Contract 83065

Thanks for your business!

Ship To / Lessee / End User: Mountain Lake, MN, City of
 Douglas Bristol, Chief
 Police Dept
 P.O. Box C
 Mountain Lake, MN 56159

Phone: 507-427-2999
 FAX:

Signed _____ and Initialed _____

Printed Name _____ and Date _____

Current Police Reserve \$68,954

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Customer: Mountain Lake, MN, City of
 Attn.:(Name,Title) Douglas Bristol, Chief
 Dept: Police Dept
 Address: P.O. Box C
 Mountain Lake, MN 56159
 Phone: 507-427-2999
 Fax:
 email dbristol@mountainlake.govoffice.com
 MN Contract 83065

Nelson Auto Center

Fleet Department
 PO Box 338
 Fergus Falls, MN 56538-0338
 Gerry Worner
 Phone: 218-998-8866
 Fax: 218-998-8813
 gerryworner@nelsonfergusfalls.com

Line 2 Marked Utility Vehicle

1 Ford Police Interceptor Utility Vehicle All Wheel Drive	2016	1	K8A	\$25,562.95	\$25,562.95
License Plate brakdet - front (Std. for MN)			153	\$0.00	
Auxiliary rear Air conditioning			17A	\$532.00	
Cloth rear seat, instead of standard vinyl rear seat			88F FW	\$53.00	
Power passenger seat NEW for 2016			87P	\$284.00	
Rear view camera display in mirror, vs. in std. 4" diagonal screen on dash cannot be modified once vehicle is built; must specify at time of order			87R	\$0.00	
SYNC Voice Activated Communication System		1	53M	\$258.00	\$258.00
Engine block heater			41H	\$79.00	
Delete carpet floor covering; std.full rubber floor instead		1	- 16C	(\$103.00)	(\$103.00)
LH spotlamp halogen bulb			51Y	\$187.00	
LH spotlamp w/LED bulb			51R	\$345.00	
LH spotlamp w/Whelen LED bulb recommended		1	51T	\$366.00	\$366.00
Dual spotlamps w/halogen bulbs			51Z	\$306.00	
Dual spotlamps w/LED bulbs			51S	\$541.00	
Dual spotlamps w/Whelen LED bulbs			51V	\$580.00	
Radio Noise Suppression bonding straps			60R	\$67.00	
keyed alike (like Crown Vic) 1284X			59B	\$45.00	
keyed alike (like Crown Vic) 1294X			59C	\$45.00	
keyed alike (like Crown Vic) 0135X			59D	\$45.00	
keyed alike (like Crown Vic) 1435X			59E	\$45.00	
keyed alike (like Crown Vic) 0576X			59F	\$45.00	
keyed alike (like Crown Vic) 0151X			59G	\$45.00	
keyed alike (new code 2013 on) 1111X			59J	\$45.00	
Remote keyless entry keyfob (w/o keypad; N/A w/keyed alike)		1	59S	\$227.00	\$227.00
Lock plunger for doors, hidden			52H	\$122.00	
Lock plunger for doors, hidden, and rear door handles inoperable			52P	\$140.00	
Pre wiring for grille lamp, siren & speaker			60A	\$45.00	
100 Watt siren/speaker includes bracket & pigtail			18X	\$262.00	
Dome light, rear, in cargo area Red/White recommended		1	17T	\$45.00	\$45.00
Daytime running lamps			942	\$39.00	
Automatic Headlamps			86L	\$99.00	
Auxiliary Red/Blue LEDs in front bumper fascia (requires #60/ recommended)			21L	\$481.00	
Forward pocket warning Red/Blue LEDs - Warn/Park/Turn (requires #60A)			21W	\$558.00	
Wheel covers 18" full face			65L	\$63.00	
Aluminum Wheels, 18" painted			64E	\$415.00	
Police Interior Upgrade (cloth rear seat, carpet front/rear w/4 mats, console)			65U	\$341.00	
Delete Police Interceptor Badge (for unmarked car or non-police dept.)			16D	\$0.00	
Roof Rack side rails, black			88Z	\$136.00	
Delete std. front console plate (no charge/no credit)			85D	\$0.00	
Lockable gas cap for Easy Fuel capless fuel filler			19L	\$17.00	
BLIS Blind spot monitoring, cross traffic alert; Heated Mirrors (req. 53M \$258)			55B	\$475.00	
Heated outside mirrors w/o Blind Spot Monitoring recommended		1	549	\$53.00	\$53.00
LED Marker lights in left & right sideview mirrors (requires #60A)			63B	\$254.00	
Side marker lights in rear quarter glass			63L	\$502.00	
Four switches on steering wheel (w/o SYNC, 53M)			61R	\$136.00	
Four switches on steering wheel (w/SYNC, 53M)			61S	\$136.00	
My Speed Fleet Management			43S	\$53.00	
Speed Limited Calibration w/EcoBoost V6 131 mph top speed - standard with EcoBoost					
EcoBoost 3.5 L V6 engine 131 mph top speed (non E85)			99T	\$3,120.00	
Garnet Red Clearcoat for MN State Patrol			58M00	\$918.00	
Bright Red for Fire Dept. vehicle			VV4650	\$898.00	
Two tone with vinyl on roof and 4 doors			91A	\$733.00	
Two tone with vinyl on roof and 2 front doors			91C	\$611.00	
Two tone with vinyl on roof only			91H	\$428.00	
Two tone with vinyl on 2 front doors only			91J	\$268.00	
Vinyl Word "POLICE" wrap on both sides for 2 tone effect			91D	\$694.00	
Vinyl Word "POLICE" wrap reflective Black Vinyl			91E	\$694.00	
Vinyl Word "POLICE" wrap reflective White Vinyl			91F	\$694.00	
Vinyl Word "SHERIFF" wrap White Vinyl			91G	\$694.00	
Scuff Guards clear film on front of rear doors; protection from duty belt			55D	\$79.00	
Additional owners manual			OMANUAL	\$85.00	
Service/Driveability/Emissions/Electrical Manuals (late avail.)			SMANUAL	\$498.00	
Parts Manuals (late avail.)			PMANUAL	\$495.00	
Technical Service Bulletins (annual subscription)			TSB	\$1,395.00	
Extended Warranty, Ford Extended Service Plan \$1500 to \$5500; will quote			ESP		
Page 1 subtotal					\$26,408.95

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Nelson Auto Center

Customer: Mountain Lake, MN, City of
 Attn.:(Name, Title) Douglas Bristol, Chief
 Dept: Police Dept
 Address: P.O. Box C
 Mountain Lake, MN 56159
 Phone: 507-427-2999
 Fax: dbristol@mountainlake.govoffice.com
 email
 MN Contract 83065

Fleet Department
 PO Box 338
 Fergus Falls, MN 56538-0338
 Gerry Worner
 Phone: 218-998-8866
 Fax: 218-998-8813
 gerryworner@nelsonfergusfalls.com
 Line 2 Marked Utility Vehicle

				\$26,406.95
Page 1 subtotal				
Additional Factory options:				
rear console plate	recommended	1	85R \$30.00	\$30.00
Cargo storage vault (NOT available with rear AC)			63V \$213.00	
Underbody Deflector plate	recommended		76D \$292.00	
Ballistic door panels, driver door only			90D \$1,384.00	
Ballistic door panels, both front doors			90E \$2,766.00	
rear window switches inoperative			18W \$22.00	
Rear locks operable, but rear door handles inoperable			-66G, +68L \$0.00	
Delete rear door locks & handles inoperable (allows them to work)			-68G (\$29.00)	
Courtesy lamps disabled when door opened (Dark car feature recommended)		1	43D \$17.00	\$17.00
Perimeter anti theft alarm (activated by hood, door, decklid) [req. 595 keyless entry]			593 \$105.00	
Reverse sensing			76R \$240.00	
Row 2 glass Light Solar tint, instead of std. deep tint			92R \$75.00	
Row 2 & cargo glass Light Solar tint, instead of std. deep tint			92G \$105.00	
Ultimate wiring package			67U \$481.00	
Police Wire Connector Kit Front			47C \$91.00	
Police Wire Connector Kit Rear			21P \$114.00	
Pre-Drilled holes only for LEDs in headlamp housings	recommended	1	86P \$110.00	\$110.00
Pre-Drilled holes only for LEDs in taillamp housings NEW for 2016		1	86T \$53.00	\$53.00
Two front integrated LED lights in headlamps			66A \$743.00	
Two rear integrated white LED lights in tail lamps (see options for red/blue)			66B \$371.00	
Four flashing LEDs: 2 in back window & 2 liftgate bottom	recommended	1	66C \$398.00	\$398.00
Pkg. #24 Whelen PCCBR controller, relay center, wiring, rear plate			67G \$1,169.00	
Ready for the Road; Whelen Cencom controller, relay center, wiring			67H \$2,979.00	
Dealer Installed items				
Dealer reprogramming per item (daytime running lamps, dark car feature, etc.)			RPRGRM \$75.00	
Dealer re-key 4 locks (ignition, 2 doors, liftgate) to specific key code			REKEY \$320.00	
Dealer silence chime tone for key in ignition		1	NOCHIME \$125.00	\$125.00
Dealer installed keypad keyless entry (must have #595 remote entry)			KPAD \$195.00	
Dealer installed keyless entry, remote start, 1 fob w/o feedback			KLES \$395.00	
Dealer installed remote start and keyless entry, 1 fob w/feedback			RSTRT \$497.00	
Dealer installed power lock button in rear, accessible with liftgate open			RLOCK \$182.00	
Dealer installed 2" receiver hitch w/4 wire flat plug-in (add \$100 for 7 blade RV plug)			HITCH4 \$510.00	
Dealer installed running boards, black			RBDS \$710.00	
Roof Rack cross bars, dealer installed			RACKCB \$247.00	
Ford molded mudflaps dealer installed			FLAPS \$189.00	
Rubber slush mats, front pair			SMATS \$117.00	
Dealer installed Surveillance Mode Module (requires 76R reverse sensing)			SURVEIL \$696.00	
Dealer installed vinyl wrap on 4 doors for two tone			WRAP4 \$395.00	
Dealer installed vinyl wrap on 4 upper door frames around windows			WRAPF \$170.00	
Dealer installed vinyl wrap on 4 doors & roof for two tone			WRAP4R \$645.00	
Dealer installed vinyl wrap on hood and roof for two tone			WRAPTOP \$500.00	
Dealer installed vinyl word wrap, White or Black, POLICE or SHERIFF			WORD \$585.00	
Dealer installed Reflective vinyl word wrap, White or Black, POLICE or SHERIFF			REFWORD \$685.00	
Push Bumper, Setina PB 400VS, installed			PB400 \$667.00	
Push Bumper, Setina PB 450L2VS w/2 red/blue lights, installed			PB452 \$1,007.00	
Push Bumper, Setina PB 450L4VS w/4 red/blue lights, installed			PB454 \$1,198.00	
Fender Protector, Setina PB8-VS			PB8 \$543.00	
Rear Window barriers Setina steel			WBVSS \$382.00	
Rear Window barriers Setina Polycarbonate			WBVSP \$398.00	
Setina 10-VS sliding partition w/o recessed gun panel w/lower extensions			CAGE \$980.00	
Setina 110-VSRP sliding partition w/recessed gun panel w/lower extensions			CAGER \$1,095.00	
Setina 10XL partition uncoated, w/recessed panel and seat extensions			CAGEXL \$1,076.00	
Setina 12-PolyC rear cargo partition, polycarbonate scratch resistant			RCAGE \$793.00	
Setina 12 EXP rear vinyl coated expanded metal partition			RCGEM \$761.00	
Setina single vertical gun mount Universal lock, handcuff key, unwired			1GUN \$436.00	
Setina dual vertical gun mount/lock shotgun/AR-15, handcuff keys, unwired			2GUN \$536.00	
Toggle switch to disable brake lights and backup lights			CANCEL \$320.00	
Red/Blue LEDs in taillamps only			TAILRB \$397.00	
Red/Blue LEDs in taillamps & grille (not available with EcoBoost V6)			GRILTAIL \$883.00	
Red/Blue LEDs in taillamps & Headlights (requires 86P pre-drilled holes \$110.00)			4CRNRRB \$883.00	
Headlamp flasher system, flashes 2016 halogen High Beams			HFLASH \$397.00	
Alarm system: Horn/lights upon door/hatch violation, w/2 remotes			ALARM \$263.00	
Extra key (w/o microchip, simple "dumb" key) each		2	KEY \$10.00	\$20.00
Extra remote entry keyfob (limit of 4 total per vehicle on dealer installed) each			REMOTE \$142.00	
Transit Improvement Vehicle Excise Tax on any delivery within Anoka, Dakota, Hennepin, Ramsey, Washington, or Beltrami Counties; only marked vehicles exempt			TIVET \$20.00	
Option to pick up car in Fergus Falls, MN				(\$45.00)
Total pages 1 and 2				\$27,161.95

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Additional Equipment Needed

NST Northern Safety Technology, Inc. **Sales Quotation**

5708 Upper 147th St. W.
 Suite 107
 Apple Valley, MN 55124

Date	Quotation No.
11/25/2015	16217

Phone # 651-460-1293 Fax # 651-460-2499

E-mail northernsafety@frontiernet.net

Name / Address: MOUNTAIN LAKE POLICE DEPT. 930 THIRD AVE. DRAWER C MOUNTAIN LAKE, MN 56159	Ship To: MOUNTAIN LAKE POLICE DEPT. 930 THIRD AVE. MOUNTAIN LAKE, MN 56159
--	---

P.O. No.	Terms	Rep	Ship Via	FOB
	Net 30	MD	UPS	

Item	Description	Quantity	Price each	Amount
STPKT83	LIGHT BAR MOUNTING STRAP KIT #83 - '11-15 EXPLORER and 2013 - 2016 UTILITY INTERCEPTOR; 48-55"	1	66.50	66.50
SAK52	SPEAKER BRACKET, FORD EXPLORER, '14 - '16, FORD INTERCEPTOR UTILITY, '13-16, DRIVER SIDE LOWER GRILLE	1	28.00	28.00
VTX609D VTX609E	VERTEX SUPER-LED SPLIT RED/CLEAR VERTEX SUPER-LED SPLIT BLUE/CLEAR	1 1	95.90 95.90	95.90 95.90
WIONR WIONB	SIDES / REAR ION, WIDE ANGLE, RED, W/BLACK HOUSING ION, WIDE ANGLE, BLUE, W/BLACK HOUSING	1 1	123.20 123.20	123.20 123.20
P4717UJINT13A	TRANSPORT PARTITION, 1/2 SLIDER POLYCARBONATE WINDOW W/EXPANDED METAL INSERT **	1	542.57	542.57
RP47UJINT13	RECESSED PANEL, (SPACE SAVER) FOR 2013 - 2016 NGPI UTILITY	1	92.31	92.31
SP47BS13	SEAT PROTECTOR, (LOWER EXTENSION PANEL) FOR 2013 - 2016 NGPI UTILITY	1	72.40	72.40
S4702UJINT13	GREY ABS TRANSPORT SEAT, w/POLY WINDOW CARGO BARRIER AND SEAT MOUNT KIT; FOR 2013-16 FOR INTERCEPTOR UTILITY	1	991.76	991.76
DS-DA-102	DOCKING STATION LED MAP LIGHT, (PLUGS IN TO USB PORT)	1	45.62	45.62

Signature x	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right;">Sales Tax (0.0%)</td> </tr> <tr> <td style="text-align: right;">Total</td> </tr> </table>	Sales Tax (0.0%)	Total
Sales Tax (0.0%)			
Total			
Northern Safety Technology, Inc. is now certified as a Woman Owned Business Enterprise with the State of Minnesota through the Minnesota Small Business Procurement Program.			

39

NST Northern Safety Technology, Inc.

Sales Quotation

5708 Upper 147th St. W.
Suite 107
Apple Valley, MN 55124

Date	Quotation No.
11/25/2015	16217

Phone # 651-460-1293 Fax # 651-460-2499

E-mail northernstafety@frontiernet.net

Name / Address:
MOUNTAIN LAKE POLICE DEPT. 930 THIRD AVE. DRAWER C MOUNTAIN LAKE, MN 56159

Ship To:
MOUNTAIN LAKE POLICE DEPT. 930 THIRD AVE. MOUNTAIN LAKE, MN 56159

P.O. No.	Terms	Rep	Ship Via	FOB
	Net 30	MD	UPS	

Item	Description	Quantity	Price each	Amount
VHMK	HEADREST PRINTER MOUNT CONVERSION KIT TO FORD UTILITY #	1	54.95	54.95
C-VS-1400-INUT-H	CONSOLE, [HOUSING ONLY!] VEHICLE SPECIFIC, 14" MOUNTING SPACE, 15 DEGREE, Interceptor Utility, 2013 - 2015 **	1	167.25	167.25
C-CUP2-E-C	Transfer equipment brackets and accessories from the Charger console DUAL CUPHOLDER, EXTERNAL, 0 DEGREE BEND -Required- -Need to move cupholder out of shorter console-	1	35.16	35.16
FREIGHT CHRGS	Freight charges are additional and added at time of shipment.			0.00

Sales Tax (0.0%) \$0.00

Signature x _____

Total \$2,534.72

Northern Safety Technology, Inc. is now certified as a Woman Owned Business Enterprise with the State of Minnesota through the Minnesota Small Business Procurement Program.

Quotations are valid for 30 days. Claims against invoices must be made within 10 days of invoice date, otherwise invoice will be considered accurate and due within terms. 1.5% per month will be charged on overdue invoices. A Return Authorization Number is required prior to returning product. Returns may be subject to a restocking charge. No returns will be accepted beyond 45 days from date of original invoice.

40

Graphics



Estimate #1065

12/17/2015

Prepared For:

Doug Bristol
930 3rd Ave.
Mountain Lake, MN 56159

Phone: 507-822-1273

Fax:

Alt. Phone:

Email: mlpd114@hotmail.com / dbristol@mountainlake.govoffice.cor

Prepared By:

Sally Knoche
Advanced Graphix, Inc
3600 Labore Road
Suite #3
Vadnais Heights, MN 55110 USA

Phone: 651-490-3221

Fax: 651-490-3193

Alt. Phone: 888-388-3221

Email: Sally@advancedgraphix.com

Description: VG_Kit2508 Non-Reflective 2016 Ford Explorer white

Estimated Time For Production: 7 working days

Quantity	Description	Each	Total	Taxable
1	VG_Kit2508_Complete_NR_2016 Ford Explorer white in 3M IJ5100 Top laminated with 3M 8518 Scotchcal Gloss	447.49	\$447.49	
1.6	Application at Advanced Graphix	75.00	\$120.00	
		Subtotal	\$567.49	
		Total	\$567.49	

Terms: Net 15 days

By my signature, I authorize work to begin and agree to pay the above amount in full according to the terms on this agreement.

Signed by	Date	Amt. Paid Today
-----------	------	-----------------

41

THIS SKETCH PROPERTY OF:



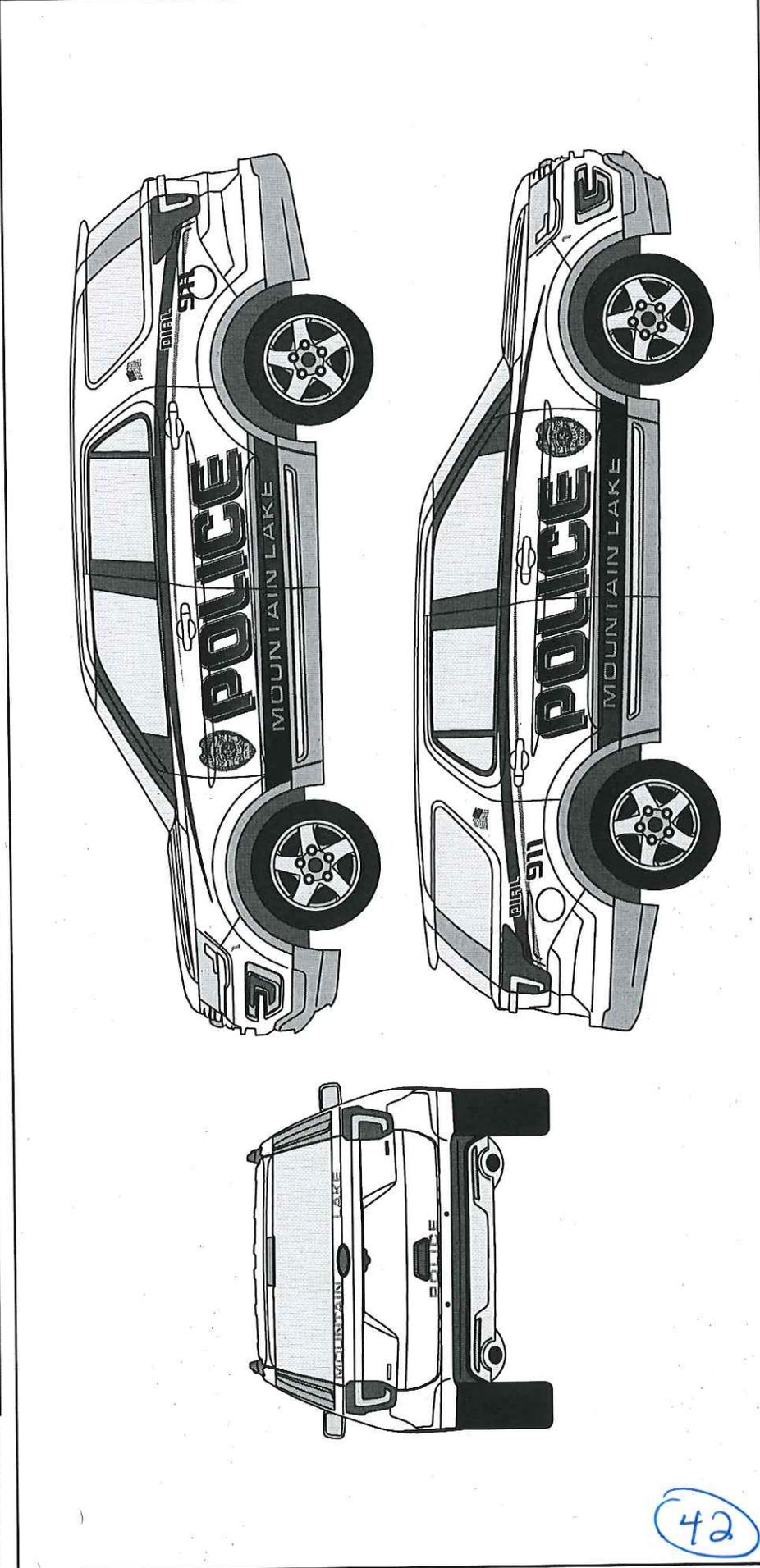
PROOF APPROVAL | PLEASE READ ENTIRE PAGE

Please examine proof carefully. Client is responsible for correctness of artwork including but not limited to Spelling, Punctuation, Numbering, Spacing, Location and Indication of Color. Please note that colors may vary from what you see on screen, or on a printed piece of paper. Exact Pantone color matches cannot be guaranteed. Advanced Graphics, Inc. is not responsible for mistakes on artwork that has been approved by client.

PROOF # 1
DATE: 12/17/15
DESIGNER: WA
SALES: SALLY

CUSTOMER: MOUNTAIN LAKE PD

JOB DESCRIPTION: VEHICLE GRAPHICS / 2016 FORD EXPLORER



CUSTOMER SIGNATURE: _____

APPROVED APPROVED W/CHANGES MAKE CHANGES (REPROOF)
SIGN AND FAX BACK PROOF TO: 651-490-3193 / ORDER CANNOT PROCEED WITHOUT APPROVAL. DELAYED APPROVALS MAY DELAY SHIPMENT OF YOUR ORDER.

PH: 651.490.3221
FAX: 651.490.3193
TF: 888.388.3221
www.advancedgraphics.com

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50% OF ACTUAL SIZE

PRELIMINARY SITE PLAN		CITY, STATE - STREET: MOUNTAIN LAKE, MN HWY 1 & 1ST AVE.		<h1>AERIAL SITE PLAN</h1>	
PROTOTYPE:	C	DEVELOPER	DESIGNER		DATE:
BLDG/SALES SF:	9,100 / 7,302	COMPANY: OVERLAND PROPERTIES, LLC	COMPANY: OVERLAND ENGINEERING, LLC		11/13/15
ACREAGE:	±1.88	NAME: ROD HAMBY	NAME: JORDAN MCNETT		
PARKING SPACES:	30	PHONE #: 417-256-4790	PHONE #: 417-256-8150		



SCALE = NTS

43



226100350

226130050

226130070

226100310

225240020

Mountain Lake

Midway

226100280

225240010

226100290

220331600

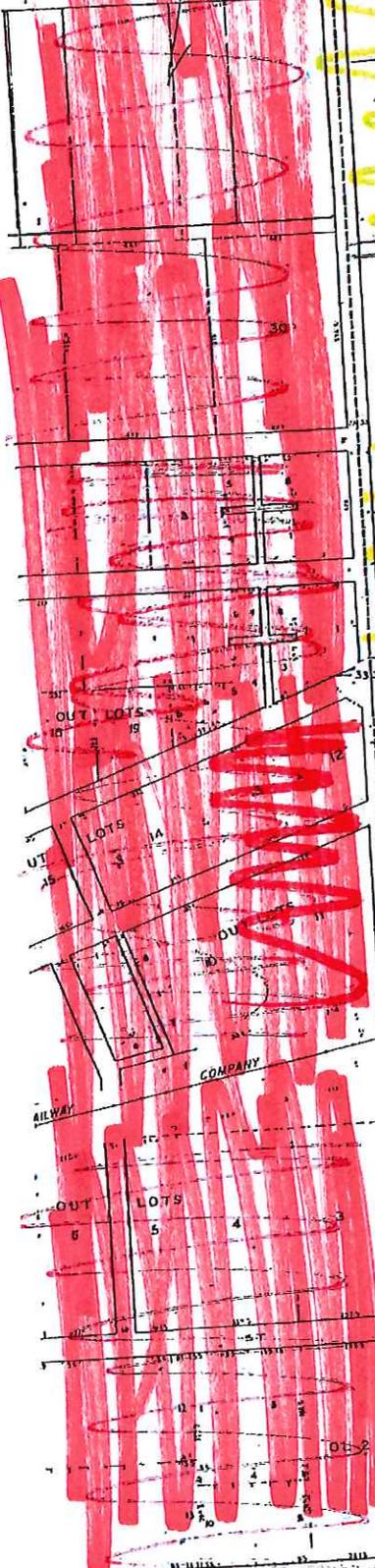
67 ft

44

22-033-0100
Geo. Friesen
Ag L.O.

Klassen	Walter Freitag
22-034-0600	Ag L.O.
com	
Dix	Gohr com
Bergen	Bergen Bohr
Bergen	IND
Walter Freitag	
Ag L.O.	
22-034-0100	
Midway Farming	
com	

NW 1/4 34 Midway Twp



34
NOTE CENTER SECTION 25 FT 50'

-  General Commercial
-  Industrial
-  Residential

11-034-0401

1452
22-034-1800
Heritage Vill
1991

TH 60

45

Mt Lake Twp

Mt Lake Twp

Overland Group (Dollar General)

1. Storm water run-off

The company will be getting a National Pollutant Discharge Elimination System (NPDES) permit for storm water run-off during construction. The area being disturbed by the project is too small to require a permanent retention pond on the property. Engineer says lot will be shaped so that after the project is finished storm water run-off will move toward County Road #1 and First Ave. It will not be directed to the east on to Balzer property.

2. Building Location

Overland Group provided a preliminary site plan. The building, signs, and lighting will be similar to the Windom store. The Mt. Lake building will be constructed on the south end of the property. The "Dollar General" sign will be located across the street (to the east) of Khamphay Phetsomphou's driveway at 151 Co. Rd. #1. Everything else – building and parking lot will be south of the sign.

3. Lighting

The company will undertake a photometric study prior to construction. The study will determine location, height, brightness, etc. of lighting so that light 'stays on the property'.



INFORMATION MEMO

Zoning Guide for Cities

Learn the framework of municipal zoning and basics of other land use controls available to cities that may complement or be used separately from zoning controls. Find guidance on zoning ordinance drafting, adoption, administration and enforcement. Links to sample zoning provisions and maps from other Minnesota cities.

RELEVANT LINKS:

Minn. Stat. § 462.351.

Town of Oronoco v. City of Rochester, 293 Minn. 468, 197 N.W.2d 426 (Minn. 1972).

Minn. Stat. § 462.357, subd. 1.
Sample Zoning District Section.

Minn. Stat. § 462.357, subd. 1.

I. Basic zoning concepts

A. The purpose of zoning

Zoning allows a city to control the development of land within the community – both the type of structures that are built and the uses to which the land is put. Most building in a community is done by private individuals and businesses seeking to develop property for their own private use – whether this is residential, commercial or industrial. Zoning is one important tool for guiding this private development, so that land is used in a way that promotes both the best use of the land and the prosperity, health and welfare of the city's residents. Local zoning control over other governmental entities acting or owning property within a city, such as the State of Minnesota and local school districts may be more limited depending on the circumstances.

Zoning is normally accomplished by dividing the land in the city into different districts or zones and regulating the uses of land within each district. Generally, specific districts are set aside for residential, types of commercial and various industrial uses. The city can also use zoning to further agricultural and open space objectives.

By creating zoning districts that separate uses, the city assures that adequate space is provided for each use and that a transition area or buffer exists between distinct and incompatible uses. Adequate separation of uses prevents congestion, minimizes fire and other health and safety hazards, and keeps residential areas free of potential commercial and industrial nuisances such as smoke, noise and light.

Zoning regulations may also constrain the types and location of structures. The regulations must be the same within each district, but may vary from district to district. These regulations often control:

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This material is provided as general information and is not a substitute for legal advice. Consult your attorney for advice concerning specific situations.

RELEVANT LINKS:

Village of Euclid, Ohio v. Ambler Realty Co., 272 U.S. 365, 47 S. Ct. 114 U.S., 1926.
Nordmarken v. City of Richfield, 641 N.W.2d 343 (Minn. Ct. App.2002).
Minn. Stat. § 462.352, subd. 2. Minn. Stat. § 462.351.

Minn. Stat. § 473.851.

Minn. Stat. § 103F. Minn. Stat. §§ 103F-103F.155.
Minn. Stat. § 103F.335.
Minn. Stat. § 40A.01. Minn. Stat. § 138.71.

Minn. Stat. § 462.351.

See LMC information memo, *Planning Commission Guide*.
Minn. Stat. § 462.353.

- Building location, height, width, bulk.
- Type of building foundation.
- Number of stories, size of buildings and other structures.
- The percentage of lot space which may be occupied.
- The size of yards and other open spaces.
- The density and distribution of population.
- Soil, water supply conservation.
- Conservation of shore lands.
- Access to direct sunlight for solar energy systems.
- Flood control.

B. Legal authority to zone

Statutory and Home Rule Charter Cities are granted the authority to adopt a zoning ordinance by the Minnesota and US Supreme Court cases and by the Municipal Planning Act found in Minnesota Statutes. The Municipal Planning Act establishes a uniform and comprehensive procedure for adopting or amending and implementing a zoning ordinance.

Cities in the metropolitan area are governed by the Metropolitan Land Planning Act. The metro area is defined as the cities in the counties of Anoka, Dakota (excluding the city of Northfield), Hennepin (excluding the cities of Hanover and Rockford), Ramsey, Scott (excluding New Prague) and Washington. The Metropolitan Planning Act also imposes certain mandatory zoning and regulatory requirements on metropolitan cities.

Cities are also granted additional authority by state statute to impose land use controls on development through the Minnesota Water Laws, the Floodplain Management Laws, the Minnesota Wild and Scenic Rivers Act, the Agricultural Land Preservation laws and the Minnesota Historic District Act to name only a few.

C. Role of comprehensive planning in zoning ordinance adoption

All cities have the authority to adopt zoning regulations, though cities may follow different paths to adoption of an ordinance. Some cities may engage in extensive formal planning, including the drafting of a comprehensive plan, prior to ordinance adoption, while others may need to follow a more immediate process.

1. Comprehensive planning

The adoption of a comprehensive plan is a common first step in the development of a zoning ordinance.

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RELEVANT LINKS:

City of North Oaks v. Sarpal,
797 N.W.2d 18 (Minn. 2011).
*Mohler v. City of St. Louis
Park*, 643 N.W.2d 623
(Minn. Ct. App. 2002).

Minn. Stat. § 462.357, subd.
6.
*Kismet Investors v. County of
Benton*, 617 N.W.2d 85
(Minn. 2000).

*Kismet Investors v. County of
Benton*, 617 N.W.2d 85
(Minn. 2000).

Minn. Stat. § 462.357, subd.
6(2).

Minn. Stat. § 462.357.
Minn. Stat. § 462.358, subd.
2a.
Minn. Stat. § 15.99.

Minn. Stat. § 462.357, subd.
4.
See Part V-A, *The 60-day
rule*.

Error by city staff in approving plans does not entitle a person to a variance. While the result might be harsh, a municipality cannot be estopped from correctly enforcing a zoning ordinance even if the property owner relies to his or her detriment on prior city action.

As discussed above, the most common requests for variances relate to physical conditions on the property. For example, setbacks and height restrictions. On occasion a city may receive requests for variances related to uses. For example, a request to use the property for a landscaping business out of a home in a residential district. This is commonly known as a use variance.

A use variance may not be granted if the use is prohibited in a zoning district. This may occur when the local zoning ordinance specifically lists prohibited uses (such as industrial uses in a residential zone) or when a zoning ordinance lists permitted uses and states that all uses not specifically listed are considered prohibited.

A city may grant a use variance when a use is not prohibited in the zoning district. For example, the zoning ordinance is silent on the issue or when the use is explicitly allowed, but limited by another portion of the city ordinance. For example, when a permitted use cannot meet performance standards elsewhere in the ordinance (such as parking or screening). The requirements of unusual hardship and other statutory requirements still apply to use variances.

Finally, state statute creates two use variances that a city may always choose (but is not required) to permit through a variance. State statute specifically empowers cities to grant use variances for solar energy systems where a variance is needed to overcome inadequate access to direct sunlight and for the temporary use of a single family residence as a two-family residence.

e. Requests for rezoning or zoning ordinance amendments

Cities have the authority to rezone (change a designation from residential to mixed commercial) or otherwise amend the zoning regulations governing a particular parcel of property (such as adding a permitted or conditional use). Note however, that rezoning is an amendment to the actual zoning ordinance and therefore all the procedures for amendments to the zoning ordinance apply.

Rezoning may be initiated by the planning commission, council, or a petition by an individual landowner. If a request for rezoning does not come from the planning commission, the matter must be referred to the planning commission for study and report.

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RELEVANT LINKS:

Sun Oil Co. v. Village of New Hope, Minn. N.W.2d 256 (Minn. 1974).

Minn. Stat. § 462.357, subd. 2.

A.G. Op. 59-A-32 (Jan. 25, 2002).

Amcon Corp. v. City of Eagan, 348 N.W.2d 66 (Minn.1984).
Olsen v. City of Hopkins, 178 N.W.2d 719 (Minn. 1970).
Three Putt, LLC v. City of Minnetonka, No. A08-1436 (Minn. Ct. App 2009) (unpublished decision).

State, by Rochester Ass'n of Neighborhoods v. City of Rochester. 268 N.W.2d 885 (Minn. 1978).

Alexander v. City of Minneapolis, 125 N.W.2d 583 (Minn. 1963).

Care should be taken so that the 60-Day Rule discussed previously is not violated, resulting in an automatic granting of the rezoning.

Rezoning is a legislative act and needs only to be reasonable and have some rational basis relating to public health, safety, morals, or general welfare. A rezoning decision must be supported by findings of fact that indicate the city's rational basis for the rezone. If the city has followed a comprehensive planning process, the findings of fact should also indicate that the decision is consistent with the city's comprehensive plan.

(1) Rezoning residential property

When property is rezoned from residential to commercial or industrial, a two-thirds majority of all members of the city council is required. (This means there must be four affirmative votes on a five-member council, in most cases.) For other rezoning decisions, a simple majority vote of all members is all that is required.

The Minnesota attorney general has issued an opinion that charter cities may not alter this voting requirement in their charter. The purpose of state law is to provide a uniform set of procedures for city planning and such procedures apply to all cities, charter or statutory.

(2) Spot zoning

The general rule is that property owners do not acquire any vested rights in the specific zoning of their parcel. Cities may exercise their legislative discretion to rezone property in furtherance of the public, health, safety and welfare. Cities should, however, avoid a type of rezoning known as "spot zoning."

Spot zoning usually involves the rezoning of a small parcel of land in a manner that:

- Is unsupported by any rational basis relating to promoting public welfare.
- Establishes a use classification inconsistent with surrounding uses and creates an island of nonconforming use within a larger zoned district (for example one lot where industrial uses are permitted in an otherwise residential zone).
- Dramatically reduces the value for uses specified in the zoning ordinance of either the rezoned plot or abutting property.

Spot zoning that results in a total destruction or substantial diminution of value of property may be considered a form of regulatory taking of private property without compensation.

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Element # 3 - Economic Development

Mountain Lake Comprehensive Plan

Citizen Goals

1. Encourage industrial and commercial development along State Highway 60.

Strategies

- Promote the advantage of location between Minneapolis/St. Paul and Sioux Falls.
- Promote businesses that cater to needs of residents and visitors such as a motel/hotel, conference center, restaurants, service stations, etc.

2. Support the development of a strong, diversified, and growing economic base and create a favorable climate for economic development and ongoing business activities.

Strategies

- Promote and encourage quality commercial and industrial development in the city through the support and cooperation of the city council, EDA, business organizations and community leaders.
- Actively promote development and redevelopment with the community, including financial incentives, with particular emphasis on attracting and supporting businesses that provide livable-wage jobs.
- Promote and encourage environmentally sound commercial and industrial development through design standards and good site planning.
- Promote aesthetically pleasing development and redevelopment in highly visible areas of the city.
- Emphasize tax base expansion and job creation in economic development efforts by the city.
- Encourage culturally diverse businesses.

3. Support the economic vitality of the Downtown Commercial District.

Strategies

- Retain and attract the appropriate mix of retail/service business activity and housing opportunities in the Downtown.
- Support housing opportunities in the Downtown area.
- Promote additional parking for the downtown with adequate signage.
- Encourage the use of Federal, State, local, and other financial resources to promote reinvestment and the rehabilitation of Downtown.

4. Plan for the orderly, efficient and fiscally responsible growth of commercial and industrial development in Mountain Lake.

Strategies

- Locate and design industrial and commercial developments to provide good access and road service, while avoiding the routing of traffic through residential neighborhoods.
- Require new commercial and industrial developments to have access to adequately sized and designed public roads.

#3 Eco. Devel.

Mountain Lake Comprehensive Plan

- Encourage the development of additional commercial and industrial areas within the city in accordance with the zoning ordinance.
- Require all commercial and industrial development to be on public sewer and water.
- Locate commercial and industrial developments away from environmentally sensitive areas within the community.

6. Land Use Element

Land use patterns in a community have a major impact on transportation, energy consumption, property taxes, compatible or conflicting adjacent land uses, and possibilities of future growth. The Land Use Element is key to the planning process. Land use patterns determine the character of the community and guide the types and locations of future development. Minnesota Planning states this goal as, "To provide a better quality of life for all residents while maintaining nature's ability to function over time by minimizing waste, preventing pollution, promoting efficiency, and developing local resources to revitalize the local economy."

Existing Conditions

Boundaries

The City of Mountain Lake is located in the north east corner of Cottonwood County in south west Minnesota. Mountain Lake is a rural community with the primary land use outside of city limits being primarily used for agriculture and related agricultural services.

If population projections hold true, the City of Mountain Lake will show a slight increase in population in the years ahead.

The City of Mountain Lake is seeking to promote growth internally through industrial and commercial expansion. The City is also looking to preserve and expand many of the current business in the central business district.

Commercial Land Use

Mountain Lake has a clearly defined central business district, which contains commercial businesses (including retail and restaurant), government functions and public service, parking, and religious institutions. Some commercial extends through the south section of the city along Minnesota Highway 60. It is Mountain Lake's intention to keep commercial activity focused in the same general areas they are currently located.

Residential Land Use

The Residential district is primarily single family units. There are approximately 752 single-family units. There are 79 residential lots vacant.

TABLE 10: RESIDENTIAL UNITS BY TYPE		
Type	Number	Percentage (%)
Owner-Occupied	658	73.4
Renter-Occupied	159	17.7
Vacant	79	8.8
TOTAL	896	99.9

Table 10: Residential Units by Type (Source: U.S. Census, 2000)

Industrial Land Use

Industry provides the economic base of a community, providing employment and commercial opportunities. The location and type of industry allowed must be considered carefully so there will be no adverse impact on the quality of life for the citizens (noise, air, water pollution, etc.). Most industry requires a location on or near a major transportation route such as highway or rail line to accommodate the movement of goods. Industry is generally separated from commercial and residential land uses. Landscape buffers are often encouraged to keep industrial uses separated from other land uses. Mountain Lake's major industrial area is located along 3rd Avenue/Highway 27 and Trunk Highway 60 and future industrial growth will be encouraged to locate in this area.

Public Land Use

Public land includes parks and government facilities. For further description of park land, please refer to the "Parks and Recreation" element.

Agricultural Land Use

Many areas within City limits still maintain an agricultural use. A majority of this existing agricultural land will be directed to industrial and residential uses. The remaining agricultural lands are expected to remain preserved.

Open Space

Forested and wetlands are expected to be preserved to establish a greenbelt area. The City of Mountain Lake recognizes the importance of protecting the area around Mountain Lake for future enjoyment.

Citizen Goals

- 1. Encourage the completion of current projects including the campground, dam restoration, and nature path around the lake.**
- 2. Plan land uses and implement standards to minimize land use conflicts.**

Strategies

- Prepare and adopt a Zoning Ordinance that designates land use areas and guides development to appropriate areas in order to ensure desirable land use patterns and minimize conflicts.
- Encourage different land uses through appropriate land use planning and zoning standards and promote site aesthetics that are compatible with community standards.
- Continue to enforce Minnesota Building Codes.

SECTION 9.21. (C-2) GENERAL COMMERCIAL DISTRICT.

Subdivision 1. Purpose.

The General Commercial District provides a location for uses that are appropriate to thoroughfare locations, are largely dependent upon thoroughfare traffic, and are not altogether suitable within the Downtown Commercial District.

Subdivision 2. Permitted Uses.

1. Motels or motor inns.
2. Automobile, truck, tractor, or implement sales offices and sales lots.
3. Automobile service stations, for sale of gasoline, oil, and accessories.
4. Automobile, truck, tractor, and implement garages and repair shops, with no outside storage of vehicles or equipment.
5. Tire, battery, and automobile accessories shops.
6. Automobile laundries or car wash.
7. Bicycle or motorcycle sales and repair shops.
8. Marine or boat sales shops.
9. Sales and service centers of travel and camping trailers, and motor homes which do not require a special permit to be transported on a public highway.
10. Mobile home sales and storage centers.
11. Lumber yards and building supply centers.
12. Lawn and garden supply stores.
13. Farm, feed, and seed stores.
14. Commercial nurseries and greenhouses.
15. Drive-up offices (banks, etc.).
16. Drive-up retail or service shops.
17. Grocery stores or supermarkets.

18. Meat shops and cold storage lockers.
19. Restaurants, cafes, or delicatessens.
20. Taverns and cocktail lounges.
21. Licensed places of amusement including theaters and dance halls.
22. Bowling alleys and billiard or pool halls.
23. Miniature golf courses, archery and golf driving ranges, tennis clubs, skating rinks, and swimming pools serving more than one family.
24. Rental and repair shops.
25. Carpenter, plumbing, heating, and air conditioning shops.
26. Electrical, metal-working, water, gas, or steam-fitting shops.
27. Janitorial service shops.
28. Monument sales centers.
29. Mortuaries or funeral homes.
30. Furniture stores.
31. Carpet, rug, and flooring stores.
32. Paint, wallpaper, and other furnishing stores.
33. Appliance sales and service stores.
34. Retail ice delivery stations.
35. Laundromats and dry cleaning or laundry pickup stores.
36. Billboards.
37. Medical, dental, and optical laboratories.
38. Antique, gift, or florist shops.
39. Retail establishments.
40. Radio or television broadcasting studios.

41. Bus stations.

Subdivision 3. Conditional Uses.

1. Water supply buildings, wells, elevated tanks, and similar essential public utility structures.
2. Automobile parking lots and garages.
3. Terminals, including motor freight.
4. Wholesale establishments.
5. Hospitals and medical clinics or offices.
6. Municipal or government buildings, police or fire stations.
7. Convalescent, nursing, and rest homes.
8. Institutions of a religious, educational, or philanthropic nature.
9. Animal pet shops, animal hospitals, veterinarian clinics, and pounds and extermination centers.
10. Recreational or community buildings, parks, or playgrounds which are publicly owned and operated.
11. Dwellings or boarding and lodging houses.
12. Railroad rights-of-way.
13. Wind energy conversion systems which comply with the requirements as set forth in Section 9.41.

Subdivision 4. Accessory Uses.

1. Private garage.
2. Private swimming pool when completely enclosed within a chain link or similar fence, five (5) feet high.
3. Keeping of not more than two (2) boarders and/or roomers by a resident family; provided that the Council may grant a special permit to keep more than two boarders and/or roomers for one year at a time upon proof of compliance by the

applicant for such special permit with the provisions of Section 9.50, Subdivision 4, prescribing the required number of on-site parking spaces.

4. Living quarters of persons employed on the premises.
5. Storage garages where the lot is occupied by a multiple-family dwelling, hospital, or institutional building.
6. On-site parking and loading as regulated.
7. Accessory uses customarily incidental to the uses permitted in Subdivisions 2 and 3 of this Section.

Subdivision 5. Lot Area, Lot Width, and Yard Requirements.

Lot Area: 10,000 square feet.

Lot Width: 80 feet.

Front Yard: 50 feet.

Side Yard: 10 feet.

Rear Yard: 25 feet.

Subdivision 6. Off-Street Parking and Unloading.

Off-street parking and unloading requirements as established in Section 9.50.

Subdivision 7. Height Requirements.

Two and one-half (2-1/2) stories or thirty-five (35) feet, maximum height, excluding material-handling equipment and its containing structure.

(Sections 9.22 through 9.29, reserved)

SECTION 9.30. (I) INDUSTRIAL DISTRICT.

Subdivision 1. Purpose.

The Industrial District is intended to provide a location for compact, convenient, and transportation-oriented industry to occur within Mountain Lake. The regulations for this district are intended to encourage industrial development that is compatible with surrounding or abutting districts.

Subdivision 2. Permitted Uses.

1. Creameries, milk and cream distribution stations, produce stations and plants.
2. Express, hauling, and cartage offices or stations, transportation or freight terminals.
3. Warehouses.
4. Wholesale establishments.
5. Ice plants.
6. Carpenter, plumbing, heating, and air conditioning shops.
7. Electrical, metal-working, water, gas, or steam-fitting shops.
8. Railroad rights-of-way.
9. Contractor's offices, shops, and yards excluding automobile wrecking or junk yards and machine sheds.
10. Public utility or service buildings and stations.
11. Highway maintenance shops and yards.
12. Auto, truck, tractor, or implement repair shops and garages.
13. Lumber yards and building materials centers.
14. Manufacturing, processing, servicing, and testing, excluding: chemicals, livestock, fuels, fertilizer, feed, or grain.
15. Adult Entertainment

Subdivision 3. Conditional Uses.

1. Storage, manufacturing, processing, or testing of chemicals, fuels, fertilizer, feed or grain.
2. Livestock slaughter houses, packing, or processing plants.
3. Gasoline and oil bulk stations and distributing plants.
4. Refineries and distilleries.
2. Extraction of minerals or other materials.
6. Wind energy conversion systems which comply with the requirements as set forth in Section 9.41.

Subdivision 4. Lot Coverage, Lot Width, and Yard Requirements.

- Lot Coverage: No more than fifty percent (50%) of the total lot area shall be covered by buildings.
- Lot Width: Every lot shall have a width of not less than one hundred (100) feet abutting a public right-of-way.
- Front Yard: There shall be a front yard set-back of fifty (50) feet from all public rights-of-way.
- Side Yard: No side yard shall be required; except, that no building shall be located within one hundred (100) feet of any residential district.
- Rear Yard: No rear yard shall be required; except that no building shall be located within seventy-five (75) feet of any rear lot line abutting a lot in any district other than an industrial district.

RESOLUTION #40-15

AMENDMENT TO THE DISTRICT BOUNDARIES OF THE CITY OF
MOUNTAIN LAKE OFFICIAL ZONING MAP

PIN 22.524.0010, Lot 1, Block 1, Mt. Lake Industrial Park Subdivision

WHEREAS, a public hearing was duly held on November 23, 2015 in the Council Chambers, City Hall, 930 3rd Ave., Mountain Lake, Minnesota, and the City of Mountain Lake Planning and Zoning Commission heard, duly recorded and received all evidence, and

WHEREAS, the Planning and Zoning Commission also considered the petition at a Nov.2 and Dec. 14 meeting, and

WHEREAS, the Planning and Zoning Commission made findings supporting Zoning District Amendment #1-15 rezoning 22.524.0010 from the Industrial District (I) to the General Commercial District (C-2) based on the following:

FACTS

1. PIN 22.524.0010 (hereafter 'the Lot') is an empty lot in the Industrial District (I) located at the intersection of Co. Rd. 1 and First Ave.
2. The owner, the Mt. Lake Economic Development Authority submitted a petition to re-zone the Lot General Commercial (C-2). The EDA intends to sell the Lot. Buyer intends to construct a retail business.
3. Co. Rd. 1 is a main route through the City and is approximately one (1) mile in length. There are a variety of uses along Co. Rd. 1 within city limits: homes, commercial and retail businesses, manufacturing, recreation and agriculture.
4. The parcels in the area of the Co. Rd. #1 and Third Ave. intersections are zoned Residential (R) Commercial (C-2) and Industrial (I). All properties on the east side of Co. Rd. 1 from Third Ave. north to the City's northern boundary are General Commercial (C-2). The properties on the west side of Co. Rd. #1 from Third Ave. north are Residential (R). This includes a large farm field as the City's zoning code does not have an agricultural district.
5. Parcel Numbers 22.613.0060, 22.613.0050 and 22.613.0070 (see map) were zoned Industrial (I) in 2002 when the City's zoning map was updated and adopted. These properties contained houses. In 2008 they were re-zoned to Residential (R). Since 2008 the house on 22.613.0060 has been removed. PIN 22.610.0341 (see map) contains a

historic building originally a gas station, 'the Peter Falk station'. It was zoned residential in 2002 when the City's zoning map was updated and adopted. In 2004 'businesses in a transitional residential area' was added as a conditional use in the Residential District (R). Adoption of this amendment acknowledged that a service business was located in the building and further acknowledged that the building would continue to house businesses.

6. The property on the east side of PIN 22.524.0010 is zoned Industrial (I). The three parcels on the north side of lot, PIN 22.613.0060, 22.613.0050 and 22.613.0070, approximately 550', are residential to Third Ave. The Industrial (I) District is on the east side of the three properties. The property north of the three lots is General Commercial (C-2). The property to the west of the Lot, on the west side of Co. Rd. #1 is zoned residential. Approximately 500' north of the Lot on the west side of Co. Rd. #1 is PIN 22.610.0341, which is zoned residential and has a conditional use permit – business in a transitional area.
7. To the south of the Lot is First Ave. a gravel street. To the south of the street is the Union Pacific Railroad line. To the south of the railroad is farmland that is outside city limits. Across Co. Rd. #1 to the west and south is a large undeveloped, unused parcel that belongs to the City and is zoned residential. Water run-off issues make it likely the property will not be developed. The areas along Co. Rd. #1 from south of the farmland and undeveloped City property to the City's southern boundary are zoned Residential (R), General Commercial (C-2) and Industrial (I).
8. The Notice of Public Hearing was published Wed. Nov. 11, 2015, at least 10 days but no more than 30 days prior to the meeting, in the Mt. Lake/Butterfield Observer/Advocate, and posted in City Hall. Property owners within 350' of the property received mailed notification of the hearing.
9. A public hearing was held at 5:35 p.m. on Mon. Nov. 23, 2015 before the Mt. Lake Planning and Zoning Commission in the Council Chambers, City Hall, 930 Third Ave., Mountain Lake, Minnesota, who received and considered all evidence brought before them.
10. No oral or written comments either in favor or against the proposal were received prior to the public hearing. Neighbors appeared at the meeting to ask questions and raise concerns about noise, lights, traffic and drainage on the Lot.
11. Information to address the questions and concerns raised at the Nov. 23 hearing was presented at a Planning and Zoning Commission meeting held Dec. 14.

Conclusions

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1. The Planning and Zoning Commission finds that the proposal is consistent with the policies of the City's land use plan. Amendments to the City of Mt. Lake Zoning Map, adopted in 2002, and the City Code, reflect the changing use of property near or adjoining the Lot.

The City's Comprehensive Plan was updated and adopted in 2006. Economic Development Element Goal 4 calls for 'the orderly, efficient and fiscally responsible growth of commercial and industrial development in the city'. Strategy One calls for 'locating and designing industrial and commercial developments to provide good access and road service, while avoiding the routing of traffic through residential neighborhoods'. The Lot is located on Co. Rd. 1 which will provide good access and road service to a retail business located there. Co. Rd. 1 is a truck route. The Lot is large and exceeds the lot size requirements of the General Commercial District (C-2). Retail business intends to construct the store to the south end of property and take steps to control light, noise, and storm water run-off.

2. The proposal is in the public interest. Comprehensive Plan Economic Development Element Goal #2 calls for 'Support the development of a strong, diversified, and growing economic base and create favorable climate for economic development and ongoing business activities'. The proposal is consistent with the public interest. Rezoning should lead to a diversification of commercial businesses of the community and thus attract additional shoppers to the community.

3. The Planning and Zoning Commission finds that the proposal is consistent with surrounding land uses. There are a variety of uses along Co. Rd. 1 within city limits: homes, commercial and retail businesses, manufacturing, recreation and agriculture, and Residential (R), General Commercial (C-2) and Industrial (I) zoned districts.

4. The proposal permits land uses within the proposed district that are appropriate on the property and compatible with adjacent uses and the neighborhood. 'Retail establishments' is a permitted General Commercial (C-2) use. A general commercial use would be more compatible with adjacent uses and the neighborhood than an industrial use, which is the Lot's current zoning classification. A general commercial allowed use would be less disruptive than the noise and light associated with rail traffic. The Union Pacific railroad line is south of the Lot. Surrounding uses are agriculture, industrial, commercial and residential. The City of Mt. Lake has limited zoning district classifications in its ordinance. Additional districts with uses that blend aspects of existing districts would allow the City to better meet the zoning needs of the City.

5. The proposal would not result in spot zoning. Spot zoning exists when a use classification inconsistent with surrounding uses is established and creates an island of nonconforming use within a larger zoned district. The Lot is located in an area with a differing zoned districts.

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6. The proposal is consistent with the development of the area. The intended use of the Lot is consistent with the type of development expanding along Co. Rd. #1 and Third Ave. east of Co. Rd. #1 and changing the appearance of the thoroughfare.

NOW, THEREFORE, BE IT RESOLVED that the City of Mountain Lake Official Zoning Map is amended, designating Parcel Identification Number 22.524.0010, General Commercial (C-2).

Adopted this 22nd day of December, 2015.

Mike Nelson, Mayor

ATTEST: _____
Wendy Meyer, Clerk/Administrator

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CITY OF MOUNTAIN LAKE, MN

**Resolution #38-15
Resolution Adopting Property Tax Levy**

Be it resolved by the council of the City of Mt. Lake, County of Cottonwood, Minnesota, that the following sum of money be levied for the current year, collectible in 2016 upon taxable property in the City of Mt. Lake:

Total levy \$ 635,064.38

The Clerk/Administrator is hereby instructed to transmit a certified copy of this resolution to the county auditor of Cottonwood County, Minnesota.

Motion by Member:
Seconded by Member:

Voting Aye:
Voting Nay:

Absent:

Whereupon, said Resolution is hereby declared passed.

Adopted by the City Council on December 22, 2015.

Mayor Mike Nelson

ATTEST:

Wendy Meyer, Clerk/Administrator

2015 Budget \$2,156,575.22
2016 Budget \$2,220,023.44

65

2.94%
increase

Council Meetings
Tentative Schedule

2016

January

S	M	T	W	T	F	S
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31						

February

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May

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August

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September

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30	31					

November

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27	28	29	30			

December

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24	25	26	27	28	29	30
31						

2015 Designations and Appointments

ELECTED OFFICIALS

Mayor Mike Nelson	Term ends 12/31/16
Council Member David Savage	Term ends 12/31/16
Council Member Darla Kruser	Term ends 12/31/16
Council Member Andrew Ysker	Term ends 12/31/18
Council Member Dana Kass	Term ends 12/31/18

ANNUAL DESIGNATIONS AND APPOINTMENTS

Street Department	Mike Nelson
Acting Mayor	David Savage
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 - Darla Kruser, City Council Liaison

Utilities Commission – David Savage, City Council Liaison

Planning and Zoning Commission – Dana Kass, Ex officio

Economic Development Authority – council representatives, 2 year term

Darla Kruser, Council 1/1/15 - 12/31/16

Mike Nelson, Council 1/1/15 - 12/31/16

Lake Commission – Mike Nelson, City Council Liaison

Police Commission - Andrew Ysker, City Council Liaison

Tree Commission - Mike Nelson, City Council Liaison



CONNECTING & INNOVATING
SINCE 1913

December 10, 2015

To: LMCIT Property/Casualty Members

From: LMCIT Board of Trustees

Joel Hanson, Administrator, Little Canada	Mark Karnowski, Administrator, Princeton
D. Love, Councilmember, Centerville	Dave Callister, Manager, Plymouth
Rhonda Pownell, Councilmember, Northfield	Todd Prafke, Administrator, St. Peter
Dave Unmacht, Executive Director, LMC	

Re: **2015 Property/Casualty Dividend**

We are very pleased to enclose a check for your share of the \$16.5 million dividend, which the League of Minnesota Cities Insurance Trust (LMCIT) property/casualty program is returning for 2015.

Also included in this mailing are:

- A memo providing background on the dividend, including a detailed explanation for how your dividend is calculated.
- A data sheet showing the earned premium and loss data used to calculate your dividend, as well as graphs showing your written premium and dividend history.

A copy of this same information will also be sent to your insurance agent. We also encourage you to share this information with your city council or other governing body.

We want to thank you again for your continued participation in LMCIT. Please feel free to contact Laura Honeck, LMCIT Operations Manager, at lhoneck@lmc.org or 651-281-1280 if you have any questions or need additional information.

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**LEAGUE OF MINNESOTA CITIES INSURANCE TRUST
PROPERTY/CASUALTY
2015 DIVIDEND CALCULATION
AT MAY 31, 2015**

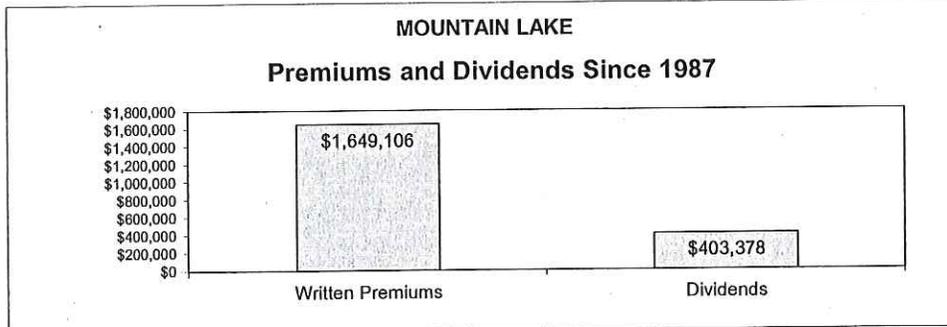
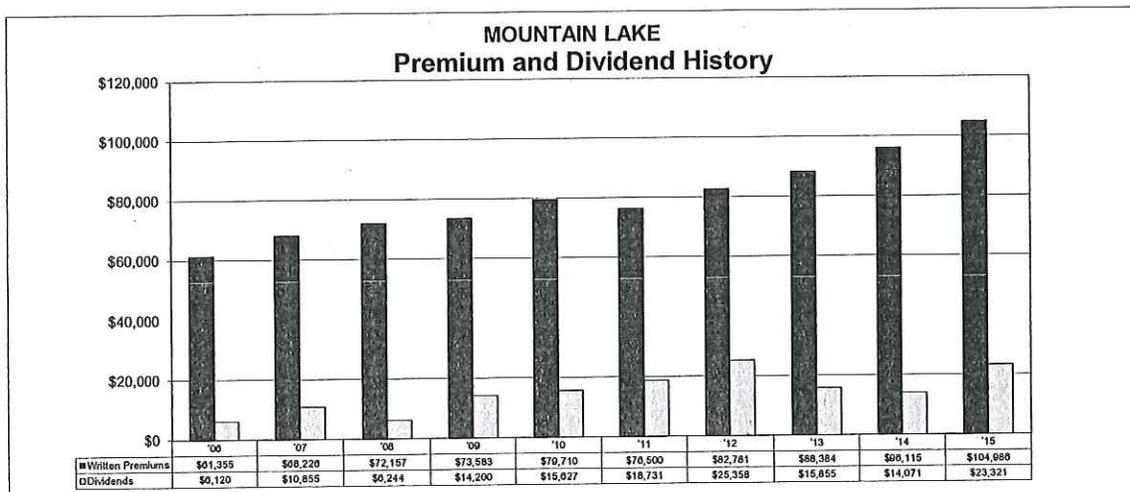
HANSON AGENCY

235 10TH ST

PO BOX 555

MOUNTAIN LAKE MN 56159-0555

MOUNTAIN LAKE	GROSS EARNED PREMIUM	\$1,165,643
930 3RD AVENUE	ADJUSTED LOSSES	\$309,579
PO BOX C	MEMBERS DIVIDEND PERCENTAGE	0.00141336493
MOUNTAIN LAKE, MN 56159-0320	DIVIDEND AMOUNT	\$23,321



The "gross earned premium" figure is the city's total earned premiums as of May 31, 2015 for the past 20 years (prior to 2015 it was based on total earned premiums for all years the city participated in LMCIT). This is the premium figure that's used in the dividend calculation. The "2015 written premium" figure is the city's total premium for the city's most recent renewal prior to May 31, 2015. Note that for most cities, only a portion of that 2015 written premium would be earned as of May 31, 2015.

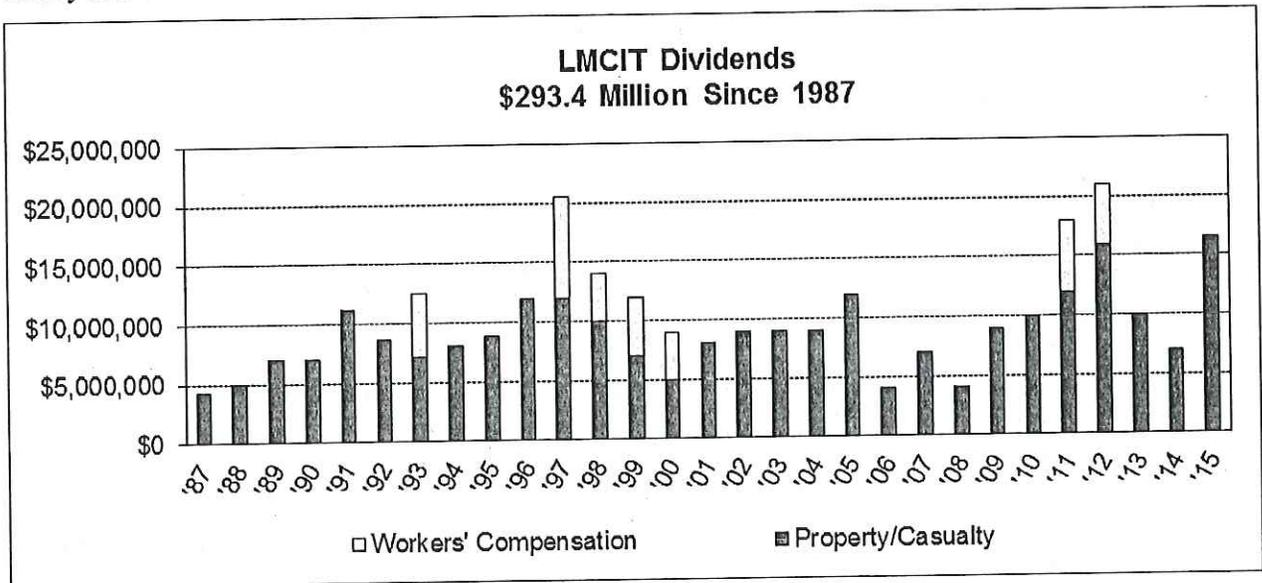
69



CONNECTING & INNOVATING
SINCE 1913

League of Minnesota Cities Insurance Trust 2015 Property/Casualty Dividend

Congratulations to members of the League of Minnesota Cities Insurance Trust (LMCIT) property/casualty program on another successful year! Property/casualty members will share in a \$16.5 million dividend this year, bringing the sum of dividends returned to members since 1987 to nearly \$294 million.



This year's dividend amount is possible because of some continued good experience in some of LMCIT's more significant loss areas. Police liability continues to be a driver in LMCIT's overall loss picture, and costs in 2013 and 2014 were much higher than normal due to a series of claims related to the Driver's Privacy Protection Act (DPPA). LMCIT has set aside appropriate reserves due to the uncertain cost of these claims.

Dividend Determination

Every year the LMCIT Board determines whether a dividend can be returned, and if so, how much. A number of considerations are weighed, with the ultimate decision involving a comparison of the LMCIT year-end fund balance (also known as member equity or surplus) to a targeted amount of fund balance.

Typically the major driver behind whether a dividend can be returned is how rates in recent years compare to LMCIT's loss experience. Premium rates are designed to pay for projected losses, expenses, and a safety margin in case losses turn out to be greater than expected. If losses turn out to be at or below LMCIT's projections, then the safety margin isn't needed and can either be returned to members as a dividend or used to strengthen LMCIT's fund balance.

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Dividend Calculation

The first step the LMCIT Board takes in determining the dividend amount is to look at LMCIT's actual fund balance compared to the fund balance targets the Board has established. This year the Trustees determined that \$16.5 million could be returned to member cities.

The next step is to calculate the dividend. This year, and in future years, LMCIT will use a slightly revised formula for calculating the dividend. The following approach is designed to return proportionally greater amounts to members that have been with LMCIT for a longer period of time and that have been most successful in avoiding and controlling losses. Here are the steps to determine the dividend for each individual member:

- Step 1: Each member's adjusted losses are subtracted from its gross earned premiums.
- Step 2: After calculating Step 1, the remaining dollar amount for each member is added together. This is the total that is used to calculate each individual dividend amount.
- Step 3: The amount for each member calculated in Step 1 is then divided by the sum of all members calculated in Step 2. This results in each member's percentage, or share, of the \$16.5 million total that's available as a dividend this year.

The enclosed data sheet shows the exact figures, including your percentage of the dividend share, that were used to calculate your dividend. A few definitions may help as you look at this information.

Gross Earned Premium: This figure is your total of all earned premiums through May 31 for the past 20 years (previously the formula looked at premiums and losses for all years a member participated in LMCIT).

Adjusted Loss: This figure is your losses for the past 20 years, minus applicable deductibles, and after capping each individual large loss. Each individual loss is capped at the lesser of \$200,000 (previously \$100,000) or 200 percent (previously 100 percent) of the member's annual premium for the year of the loss. Without this cap, a small or mid-sized entity that experiences a catastrophic loss might not receive any dividend for many years.

Future Dividends

The ultimate goal of LMCIT is to manage *risk* – in other words, uncertainty. There's no guarantee that a dividend will always be returned to members because it is impossible to know precisely what losses will occur or cost. Dividend amounts will vary from year to year just as they have in the past.

LMCIT will do its best to estimate and project what loss costs will be, and will continue to return to members any funds that aren't needed for losses, expenses, or reserves. While we can't guarantee future dividends, members should be proud of their success accomplished in controlling losses during 2015.

CITY OF MOUNTAIN LAKE

DATE OF CHECK 12/10/15

INVOICE DATE AMOUNT INVOICE AMOUNT
P/C DVDND 2015 12/10/15 23,321.00

Check No 00164319

Total Stub 23,321.00

THIS DOCUMENT HAS A COLORED BACKGROUND, AN ULTRAVIOLET INK FEATURE AND A WATERMARK ON THE BACK



145 UNIVERSITY AVE. WEST
ST. PAUL, MN 55103-2044
651/281-1200 WWW.LMC.ORG

usbank.
East Grand Forks, MN
75-1592912

NO. 164319

DATE AMOUNT
12/10/15 \$23,321.00

PAY

*** Twenty three thousand three hundred twenty one dollars and no cents

TO THE ORDER OF

CITY OF MOUNTAIN LAKE
PO BOX C
MOUNTAIN LAKE, MN 56159-0320

MP

⑆164319⑆ ⑆091215927⑆ 152100015329⑆

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