

**Regular Council Meeting  
Mountain Lake City Hall  
Tuesday, January 19, 2016  
6:30 p.m.**

**AGENDA**

1. Meeting called to order by Mayor Mike Nelson
  - \* Further information on agenda item is attached
2. Approval of Agenda and Consent Agenda
  - a. Bills: Check #'s 9918272- 9918337; 419E-422E\*(1-8)
  - b. Approval of Payroll Checks #'s 62245-62260
  - c. Approval of Jan. 4 Council Minutes\*(9-11)
  - d. Approval of Nov. 23 and Dec. 14 Planning and Zoning Commission Minutes and Dec. Building Permits\*(12-16)
  - e. Approval of Dec. 23 Utility Commission Minutes\*(17)
  - f. Approval of Dec. 4 and Dec 16 Economic Development Authority Minutes\*(18-22)
  - g. Approval of Dec. 30 Library Board Minutes, Dec. Expenditures and Dec. Library Report\*(23-26)
  - h. Approval of Dec. 10 Police Commission Minutes\*(27)
  - i. Approval of Dec. 15 Lake Commission Minutes\*(28-29)
  - j. Accept Resignation of Tera Hahle, part-time Police Officer as of 12/30/15\*(30)
  - k. Appoint Jason Kruser, Lake Commission and Brad Hanson, Advisory EDA
3. Public – A total of ten (10) minutes is allotted for individuals to briefly discuss a topic of concern with the Council.
4. Boy Scouts – Request to waive Community Center rental fee for Annual Pancake Breakfast
5. RICE/NESHAP Compliance Hardware Update\*(31-36)
6. Administrator
  - a. Resolution #3-16, Consent to Levy\*(37)
  - b. Bonded Indebtedness\*(38-54)
  - c. FYI – 4<sup>th</sup> Quarter Public School Pool Contribution\*(55-56)
  - d. FYI – Seniority List\*(57)
  - e. Building Permit Summary\*(58)
7. Adjourn

**\*Check Detail Register©**

January 19, 2016 mtg

December 2015 to January 2016

9918272 -  
9918337

Check Amt Invoice Comment

419E - 422E

**10100 United Prairie**

Paid Chk# 9918272		12/31/2015		THIRD AVENUE AUTO PARTS		
E 101-00000-430	Miscellaneous		\$14.31			FINANCE CHG
E 101-45200-404	Repairs/Maint Machinery/Equip		\$7.95	S150257		OIL FILTER-#4
E 101-43100-404	Repairs/Maint Machinery/Equip		\$49.05	S150300		FUEL & HYD FILTER FOR #14
E 101-43100-404	Repairs/Maint Machinery/Equip		\$8.19	S150347		FOR OLD TRAILER-ST DEPT
E 101-43100-215	Shop Supplies		\$3.58	S150348		FUEL HOSE-ST SHOP
E 101-43100-404	Repairs/Maint Machinery/Equip		\$5.80	S150392		OIL FILTER-#20
E 101-45200-404	Repairs/Maint Machinery/Equip		\$2.92	S150406		OIL FOR MOWER
E 101-43100-404	Repairs/Maint Machinery/Equip		\$30.12	S150456		OIL-ST DEPT
E 101-43100-404	Repairs/Maint Machinery/Equip		\$14.75	S150514		CABIN FILTER FOR PAYLOADER
E 101-43100-404	Repairs/Maint Machinery/Equip		\$2.89	S150530		FUSE-#14
E 101-43100-404	Repairs/Maint Machinery/Equip		\$65.09	S150568		BLOWER MOTOR-#9
E 101-43100-404	Repairs/Maint Machinery/Equip		\$10.00	S150670		OIL FILTER #15
E 101-43100-215	Shop Supplies		\$35.37	S150687		FLOOR DRY-ST SHOP
E 101-43100-404	Repairs/Maint Machinery/Equip		\$2.89	S150715		FUSE #9
E 101-43100-404	Repairs/Maint Machinery/Equip		\$6.98	S150730		FUSE-ST DEPT
E 101-43100-215	Shop Supplies		\$23.69	S150804		PRIMER/THINNER
E 101-43100-404	Repairs/Maint Machinery/Equip		\$10.19	S151013		LENS-#16
<b>Total THIRD AVENUE AUTO PARTS</b>			<b>\$293.77</b>			

Paid Chk# 9918273		12/31/2015		OVERHEAD DOOR COMPANY		
E 101-43100-401	Repairs/Maint Buildings		\$217.00			RECEIVER FOR ST DEPT DOOR
<b>Total OVERHEAD DOOR COMPANY</b>			<b>\$217.00</b>			

Paid Chk# 9918274		12/31/2015		CITIZEN PUBLISHING		
E 101-00000-430	Miscellaneous	\$30.80	12/23/2015			CHRISTMAS GREETING
E 101-41400-351	Legal Notices Publishing	\$38.50	12/30/2015			HEARING 520 3RD AVENUE
<b>Total CITIZEN PUBLISHING</b>		<b>\$69.30</b>				

Paid Chk# 9918275		12/31/2015		MIDWAY FARM EQUIPMENT		
E 101-45200-404	Repairs/Maint Machinery/Equip	\$28.29	IM16629			FILTERS FOR ST55
E 101-43100-404	Repairs/Maint Machinery/Equip	\$400.50	TM00983			SEALS IN BLADE
<b>Total MIDWAY FARM EQUIPMENT</b>		<b>\$428.79</b>				

Paid Chk# 9918276		1/7/2016		AFLAC		
G 101-21713	AFLAC		\$192.74			
<b>Total AFLAC</b>			<b>\$192.74</b>			

Paid Chk# 9918277		1/7/2016		BCBS/HSA		
G 101-21714	HSA		\$393.85			
<b>Total BCBS/HSA</b>			<b>\$393.85</b>			

Paid Chk# 9918278		1/7/2016		COMMISSIONER OF REVENUE		
G 101-21702	State Withholding		\$772.09			
<b>Total COMMISSIONER OF REVENUE</b>			<b>\$772.09</b>			

Paid Chk# 9918279		1/7/2016		GISLASON & HUNTER		
G 101-21712	Garnishments		\$355.54			
<b>Total GISLASON &amp; HUNTER</b>			<b>\$355.54</b>			

Paid Chk# 9918280		1/7/2016		INTERNAL REVENUE SERVICE		
G 101-21703	FICA Tax Withholding		\$2,298.10			
G 101-21701	Federal Withholding		\$1,808.30			
<b>Total INTERNAL REVENUE SERVICE</b>			<b>\$4,106.40</b>			

1

CITY OF MOUNTAIN LAKE

**\*Check Detail Register©**

December 2015 to January 2016

		Check Amt	Invoice	Comment
Paid Chk#	9918281	1/7/2016	<b>LAW ENFORCEMENT LABOR SERV</b>	
	G 101-21711	PD UNION DUES	\$49.00	
	<b>Total</b>	<b>LAW ENFORCEMENT LABOR SERV</b>	<b>\$49.00</b>	
Paid Chk#	9918282	1/7/2016	<b>PERA</b>	
	G 101-21704	PERA	\$4,256.52	
	<b>Total</b>	<b>PERA</b>	<b>\$4,256.52</b>	
Paid Chk#	9918283	1/7/2016	<b>VALIC</b>	
	G 101-21705	VALIC	\$764.61	
	<b>Total</b>	<b>VALIC</b>	<b>\$764.61</b>	
Paid Chk#	9918284	1/8/2016	<b>BRUNTON ARCHITECHTS LTD</b>	
	E 450-46300-434	Project Expense	\$2,000.00	08-1602 DOWNTOWN REHAB-ROSS PROJ
	<b>Total</b>	<b>BRUNTON ARCHITECHTS LTD</b>	<b>\$2,000.00</b>	
Paid Chk#	9918285	1/8/2016	<b>CARCHIOUS RODNEY</b>	
	E 607-46330-401	Repairs/Maint Buildings	\$13.60	DEC APT MAINTENANCE
	E 608-46330-401	Repairs/Maint Buildings	\$26.40	DEC APT MAINTENANCE
	<b>Total</b>	<b>CARCHIOUS RODNEY</b>	<b>\$40.00</b>	
Paid Chk#	9918286	1/8/2016	<b>CITIZEN PUBLISHING</b>	
	E 205-46500-343	Busnes Recrut/Comm Dev	\$30.50	11/25/15 HEARING FOR DOLLAR GENERAL
	<b>Total</b>	<b>CITIZEN PUBLISHING</b>	<b>\$30.50</b>	
Paid Chk#	9918287	1/8/2016	<b>GOLDSCHMIDT MOVING LLC</b>	
	E 450-46300-434	Project Expense	\$15,350.00	11218 MOVE BUILDING TO HERITAGE VILLAGE
	<b>Total</b>	<b>GOLDSCHMIDT MOVING LLC</b>	<b>\$15,350.00</b>	
Paid Chk#	9918288	1/8/2016	<b>JUBILEE FRUITS AND VEGETABLES</b>	
	E 205-46500-430	Miscellaneous	\$210.00	RETAINMENT POND MAINTENANCE
	<b>Total</b>	<b>JUBILEE FRUITS AND VEGETABLES</b>	<b>\$210.00</b>	
Paid Chk#	9918289	1/8/2016	<b>LAKER ELECTRIC</b>	
	E 240-46500-401	Repairs/Maint Buildings	\$74.49	4548 WATER HEATER REPAIR-MT LAKE FITNESS
	E 607-46330-401	Repairs/Maint Buildings	\$80.00	4607 FURNACE ELECTRICAL-APT400A HOTZLER
	<b>Total</b>	<b>LAKER ELECTRIC</b>	<b>\$154.49</b>	
Paid Chk#	9918290	1/8/2016	<b>ROBERT ANDERSON</b>	
	E 205-46500-331	Travel Expenses	\$155.60	MILEAGE & MEAL
	<b>Total</b>	<b>ROBERT ANDERSON</b>	<b>\$155.60</b>	
Paid Chk#	9918291	1/8/2016	<b>WILLIS KRAHN</b>	
	E 609-46330-402	Repairs/Maint- Ground	\$240.00	DEC SNOW REMOVAL-MASON MANOR
	E 607-46330-402	Repairs/Maint- Ground	\$265.20	DEC SNOW REMOVAL HERITAGE ESTATES
	E 608-46330-402	Repairs/Maint- Ground	\$514.80	DEC SNOW REMOVAL-HERITAGE ESTATES
	<b>Total</b>	<b>WILLIS KRAHN</b>	<b>\$1,020.00</b>	
Paid Chk#	9918292	1/11/2016	<b>COMMISSIONER OF REVENUE</b>	
	G 101-21702	State Withholding	\$35.79	
	<b>Total</b>	<b>COMMISSIONER OF REVENUE</b>	<b>\$35.79</b>	
Paid Chk#	9918293	1/11/2016	<b>INTERNAL REVENUE SERVICE</b>	
	G 101-21703	FICA Tax Withholding	\$686.34	
	G 101-21701	Federal Withholding	\$66.89	
	<b>Total</b>	<b>INTERNAL REVENUE SERVICE</b>	<b>\$753.23</b>	

2

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December 2015 to January 2016

			Check Amt	Invoice	Comment
<b>Paid Chk#</b>	<b>9918294</b>	<b>1/14/2016</b>	<b>COUNTRY PRIDE SERVICES</b>		
E 231-42154-212	Motor Fuels		\$162.95		AMB FUEL
E 101-42100-212	Motor Fuels		\$573.92		PD-SUV GAS
E 101-43100-212	Motor Fuels		\$997.91		ST DEPT GAS
E 101-43100-404	Repairs/Maint Machinery/Equip		\$405.36	091332,09145	BACKHOE TIRE,#14 TIRE,MARKING PAIN
E 221-42200-404	Repairs/Maint Machinery/Equip		\$11.49	153303	KEY & TAG-FD
E 609-46330-401	Repairs/Maint Buildings		\$265.78	153419	VENTOR MOTOR-HUDSON
E 607-46330-401	Repairs/Maint Buildings		\$210.00	153426	GARBAGE DISPOSAL-LOHRENZ
E 450-46300-434	Project Expense		\$8.54	153539	END STOP-CUR WATERLINE FROM PICKERS STORE TO APT (HAT SHOP)
E 101-45186-220	Repair/Maint Supply		\$27.76	153655	COMM CTR-CLEANER,TRASH BAG
E 211-45500-401	Repairs/Maint Buildings		\$1,789.40	153798	FURNACE FOR LIBRARY
E 101-45200-404	Repairs/Maint Machinery/Equip		\$18.99	153860,15387	P-TRAP FOR PARKS
E 507-46103-430	Miscellaneous		\$3.21	153879	TORX SCREWS FOR THIN ICE SIGN
E 101-45200-404	Repairs/Maint Machinery/Equip		\$1,021.83	153916,15392	NEW PICNIC TABLE SUPPLIES
E 608-46330-401	Repairs/Maint Buildings		\$16.02	154288	BATTERY
E 608-46330-401	Repairs/Maint Buildings		\$331.32	402761	CLOCK/RANGE ELEMENT
E 101-46200-402	Repairs/Maint- Ground		\$107.68	58474	HOSE & ENDS-GRAVE TORCH
	<b>Total COUNTRY PRIDE SERVICES</b>		<b>\$5,952.16</b>		
<b>Paid Chk#</b>	<b>9918295</b>	<b>1/14/2016</b>	<b>AMERIPRIDE</b>		
E 101-43100-215	Shop Supplies		\$30.17	2800575884	TOWELS FOR ST DEPT
E 101-41400-401	Repairs/Maint Buildings		\$41.77	2800575884	MATS FOR CITY HALL
	<b>Total AMERIPRIDE</b>		<b>\$71.94</b>		
<b>Paid Chk#</b>	<b>9918296</b>	<b>1/14/2016</b>	<b>CASEYS-CREDIT CARD DEPARTMENT</b>		
E 101-00000-430	Miscellaneous		\$90.37		UT GAS (BILLED THEM)
E 101-43100-212	Motor Fuels		\$137.43		ST DEPT GAS
E 101-45200-212	Motor Fuels		\$48.85		PARKS GAS
E 205-46500-430	Miscellaneous		\$24.34	12/4/15	EDA LUNCH
	<b>Total CASEYS-CREDIT CARD DEPARTMENT</b>		<b>\$300.99</b>		
<b>Paid Chk#</b>	<b>9918297</b>	<b>1/14/2016</b>	<b>COTTONWOOD COUNTY AUD/TREAS</b>		
E 450-46300-434	Project Expense		\$1,646.04		ITEMS TO LANDFILL FROM ROSS CORNER
	<b>Total COTTONWOOD COUNTY AUD/TREAS</b>		<b>\$1,646.04</b>		
<b>Paid Chk#</b>	<b>9918298</b>	<b>1/14/2016</b>	<b>COTTONWOOD COUNTY VET CLINIC</b>		
E 101-42100-430	Miscellaneous		\$74.81		CATS TO VET CLINIC
	<b>Total COTTONWOOD COUNTY VET CLINIC</b>		<b>\$74.81</b>		
<b>Paid Chk#</b>	<b>9918299</b>	<b>1/14/2016</b>	<b>HENRY SCHEIN INC</b>		
E 231-42154-210	Operating Supplies		\$138.80	26388041	AMBULANCE SUPPLIES
	<b>Total HENRY SCHEIN INC</b>		<b>\$138.80</b>		
<b>Paid Chk#</b>	<b>9918300</b>	<b>1/14/2016</b>	<b>KDOM RADIO</b>		
E 101-00000-430	Miscellaneous		\$77.50	540151237931	MONTHLY ADV
	<b>Total KDOM RADIO</b>		<b>\$77.50</b>		
<b>Paid Chk#</b>	<b>9918301</b>	<b>1/14/2016</b>	<b>MAYNARDS FOOD CENTER</b>		
E 101-41400-200	Office Supplies		\$14.05	12/11/2015	CLEANERS-OFFICE
E 205-46500-430	Miscellaneous		\$29.43	12/16/2015	EDA MTG LUNCH
E 101-41400-200	Office Supplies		\$21.09	12/16/2015	GARBAGE BAGS,CLEANERS-OFFICE
E 101-43100-200	Office Supplies		\$47.60	12/31/2015	TP & TOWELS-ST DEPT
E 101-43100-200	Office Supplies		\$14.94	12/7/15	PAPER TOWELS-ST DEPT
	<b>Total MAYNARDS FOOD CENTER</b>		<b>\$127.11</b>		

3

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December 2015 to January 2016

			Check Amt	Invoice	Comment
Paid Chk#	9918302	1/14/2016	MOUNTAIN LAKE PUBLIC SCHOOL		
E	101-45137-210	Operating Supplies	\$2,394.18		4TH QTR-SWIMMING POOL DONATION
	<b>Total</b>	<b>MOUNTAIN LAKE PUBLIC SCHOOL</b>	<b>\$2,394.18</b>		
Paid Chk#	9918303	1/14/2016	MUNICIPAL UTILITIES		
E	101-43160-381	Electric Utilities	\$4,511.99		DEC 2015 STREET LIGHTING
	<b>Total</b>	<b>MUNICIPAL UTILITIES</b>	<b>\$4,511.99</b>		
Paid Chk#	9918304	1/14/2016	POSITIVE ID INC.		
E	101-42100-205	Uniforms	\$20.15	13835	PD-ID CARD FOR JAKE
	<b>Total</b>	<b>POSITIVE ID INC.</b>	<b>\$20.15</b>		
Paid Chk#	9918305	1/14/2016	PRAXAIR		
E	231-42154-210	Operating Supplies	\$152.02	54565123	OXYGEN FOR AMB
	<b>Total</b>	<b>PRAXAIR</b>	<b>\$152.02</b>		
Paid Chk#	9918306	1/14/2016	RDO TRUST #80-5800		
E	101-43100-404	Repairs/Maint Machinery/Equip	\$762.24	P55486	CUTTING EDGES-ST DEPT
	<b>Total</b>	<b>RDO TRUST #80-5800</b>	<b>\$762.24</b>		
Paid Chk#	9918307	1/14/2016	WINDOM FARM SERVICE		
E	101-43100-404	Repairs/Maint Machinery/Equip	\$15.95	159315	FILTER FOR 320D-ST DEPT
	<b>Total</b>	<b>WINDOM FARM SERVICE</b>	<b>\$15.95</b>		
Paid Chk#	9918308	1/14/2016	H.E.A.T. TECHNICAL TEAM		
E	101-42100-305	Dispatching Fees/H.E.A.T.	\$424.00	100	HELMET PROJECT
	<b>Total</b>	<b>H.E.A.T. TECHNICAL TEAM</b>	<b>\$424.00</b>		
Paid Chk#	9918309	1/14/2016	MINNESOTA DEPARTMENT OF AGRIC		
E	101-43100-433	Dues and Subscriptions	\$10.00		2016 PESTICIDE LICENSE-DARON F
	<b>Total</b>	<b>MINNESOTA DEPARTMENT OF AGRIC</b>	<b>\$10.00</b>		
Paid Chk#	9918310	1/14/2016	MINNESOTA DEPARTMENT OF AGRIC		
E	101-45200-433	Dues and Subscriptions	\$10.00		2016 PESTICIDE LICENSE-STEVE PETER
	<b>Total</b>	<b>MINNESOTA DEPARTMENT OF AGRIC</b>	<b>\$10.00</b>		
Paid Chk#	9918311	1/14/2016	NORTHLAND TRUST SERVICES		
E	341-47000-611	Bond Interest	\$35,721.25		MT POWER INTEREST
E	341-47000-602	Other Long-Term Oblig Princ al	\$120,000.00		MT POWER PRINC
	<b>Total</b>	<b>NORTHLAND TRUST SERVICES</b>	<b>\$155,721.25</b>		
Paid Chk#	9918312	1/14/2016	NORTHLAND TRUST SERVICES		
E	308-47000-611	Bond Interest	\$8,120.44		INTEREST-2011A (06 ST PROJ)
E	308-47000-602	Other Long-Term Oblig Princ al	\$89,700.00		PRINC-2011A (06 ST PROJ)
	<b>Total</b>	<b>NORTHLAND TRUST SERVICES</b>	<b>\$97,820.44</b>		
Paid Chk#	9918313	1/14/2016	NORTHLAND TRUST SERVICES		
E	342-47000-610	Interest	\$17,323.75		INT-THE LODGE
E	342-47000-601	Bond Principal	\$25,000.00		PRINC-THE LODGE
	<b>Total</b>	<b>NORTHLAND TRUST SERVICES</b>	<b>\$42,323.75</b>		
Paid Chk#	9918314	1/14/2016	NORTHLAND TRUST SERVICES		
E	303-47000-611	Bond Interest	\$26,426.25		INT-POPD KERNS
E	303-47000-602	Other Long-Term Oblig Princ al	\$75,000.00		PRINC-POPD KERNS
	<b>Total</b>	<b>NORTHLAND TRUST SERVICES</b>	<b>\$101,426.25</b>		
Paid Chk#	9918315	1/14/2016	NORTHLAND TRUST SERVICES		

4

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December 2015 to January 2016

			Check Amt	Invoice	Comment
E 608-46330-610	Interest		\$4,645.00		8-PLEX INT
E 608-46330-602	Other Long-Term Oblig Princ al		\$25,000.00		8-PLEX PRINC
E 607-46330-610	Interest		\$1,630.00		4-PLEX INT
E 607-46330-602	Other Long-Term Oblig Princ al		\$10,000.00		4-PLEX PRINC
<b>Total</b>	<b>NORTHLAND TRUST SERVICES</b>		<b>\$41,275.00</b>		
<b>Paid Chk#</b>	<b>9918316</b>	<b>1/14/2016</b>	<b>NORTHLAND TRUST SERVICES</b>		
E 307-47000-611	Bond Interest		\$1,579.24		INT-LAKEVIEW ESTATES
E 307-47000-602	Other Long-Term Oblig Princ al		\$50,000.00		PRINC-LAKEVIEW ESTATES
<b>Total</b>	<b>NORTHLAND TRUST SERVICES</b>		<b>\$51,579.24</b>		
<b>Paid Chk#</b>	<b>9918317</b>	<b>1/14/2016</b>	<b>ADVANCED SYSTEMS INC</b>		
E 101-42100-200	Office Supplies		\$275.00	448090	1 YEAR CONTRACT POLICE PRINTER
<b>Total</b>	<b>ADVANCED SYSTEMS INC</b>		<b>\$275.00</b>		
<b>Paid Chk#</b>	<b>9918318</b>	<b>1/14/2016</b>	<b>ALPHA WIRELESS COMMUNICATIONS</b>		
E 231-42154-323	Radio-monthly service contract		\$44.00	680899	JAN AMB PAGER MAINT
E 221-42200-323	Radio-monthly service contract		\$36.00	680899	JAN FD PAGER MAINT
<b>Total</b>	<b>ALPHA WIRELESS COMMUNICATIONS</b>		<b>\$80.00</b>		
<b>Paid Chk#</b>	<b>9918319</b>	<b>1/14/2016</b>	<b>AVENET, LLC</b>		
E 101-41400-320	Internet		\$100.00	38059	JANUARY EMAIL SERVICE
<b>Total</b>	<b>AVENET, LLC</b>		<b>\$100.00</b>		
<b>Paid Chk#</b>	<b>9918320</b>	<b>1/14/2016</b>	<b>BARGEN</b>		
E 101-45210-402	Repairs/Maint- Ground		\$5,200.00	215598	RE-SEAL CRACKS ON BIKE TRAIL
<b>Total</b>	<b>BARGEN</b>		<b>\$5,200.00</b>		
<b>Paid Chk#</b>	<b>9918321</b>	<b>1/14/2016</b>	<b>CALVIN KUIPERS</b>		
R 231-42154-34205	Ambulance Services		\$566.81		REFUND AMBULANCE PAYMENT-INSURANCE PAID
<b>Total</b>	<b>CALVIN KUIPERS</b>		<b>\$566.81</b>		
<b>Paid Chk#</b>	<b>9918322</b>	<b>1/14/2016</b>	<b>DAVID BUCKLIN</b>		
E 507-46103-430	Miscellaneous		\$1,232.00		LABOR COST & TREE BILL COOPERATIVE WEED MANAGEMENT GRANT
<b>Total</b>	<b>DAVID BUCKLIN</b>		<b>\$1,232.00</b>		
<b>Paid Chk#</b>	<b>9918323</b>	<b>1/14/2016</b>	<b>DENNIS HULZEBOS</b>		
E 101-45186-400	Janitor-Repairs/Maint		\$250.00		JANUARY MAINT AT SR CTR
E 211-45500-400	Janitor-Repairs/Maint		\$345.00		JANUARY MAINT AT LIBRARY
<b>Total</b>	<b>DENNIS HULZEBOS</b>		<b>\$595.00</b>		
<b>Paid Chk#</b>	<b>9918324</b>	<b>1/14/2016</b>	<b>DEPARTMENT OF VEHICLE SERVICES</b>		
E 101-42100-430	Miscellaneous		\$6.00		PD- "POLICE" LICENSE PLATES
<b>Total</b>	<b>DEPARTMENT OF VEHICLE SERVICES</b>		<b>\$6.00</b>		
<b>Paid Chk#</b>	<b>9918325</b>	<b>1/14/2016</b>	<b>H.E.A.T. TECHNICAL TEAM</b>		
E 101-42100-305	Dispatching Fees/H.E.A.T.		\$585.00		2016 PD DUES
<b>Total</b>	<b>H.E.A.T. TECHNICAL TEAM</b>		<b>\$585.00</b>		
<b>Paid Chk#</b>	<b>9918326</b>	<b>1/14/2016</b>	<b>JAY SCHIED</b>		
E 507-46103-430	Miscellaneous		\$1,744.00		LAKE COMM-CHEMICAL COSTS & LABOR COOPERATIVE WEED MANAGEMENT GRANT
<b>Total</b>	<b>JAY SCHIED</b>		<b>\$1,744.00</b>		
<b>Paid Chk#</b>	<b>9918327</b>	<b>1/14/2016</b>	<b>JR TOWING LLC</b>		
E 101-42100-430	Miscellaneous		\$100.00	0160	TOW EXPEDITION TO WINDOM

**\*Check Detail Register©**

December 2015 to January 2016

			Check Amt	Invoice	Comment
<b>Total JR TOWING LLC</b>			<b>\$100.00</b>		
Paid Chk#	9918328	1/14/2016	<b>MINN CHIEFS OF POLICE</b>		
E	101-42100-433	Dues and Subscriptions	\$165.00		2016 PD DUES
<b>Total MINN CHIEFS OF POLICE</b>			<b>\$165.00</b>		
Paid Chk#	9918329	1/14/2016	<b>MINNESOTA AMBULANCE ASS N</b>		
E	231-42154-433	Dues and Subscriptions	\$303.50		2016 AMB DUES
<b>Total MINNESOTA AMBULANCE ASS N</b>			<b>\$303.50</b>		
Paid Chk#	9918330	1/14/2016	<b>MINNESOTA DEPARTMENT OF AGRIC</b>		
E	101-43100-433	Dues and Subscriptions	\$10.00		2016 PESTICIDE LICENSE-RICK
<b>Total MINNESOTA DEPARTMENT OF AGRIC</b>			<b>\$10.00</b>		
Paid Chk#	9918331	1/14/2016	<b>MINNESOTA MUTUAL LIFE</b>		
E	101-46200-134	Employer Paid Life	\$1.02		JAN LIFE INS-CEMETERY
E	205-46500-134	Employer Paid Life	\$1.70		JAN LIFE INS-EDA ROB ANDERSON
E	101-42100-134	Employer Paid Life	\$1.70		JAKE-DEC LIFE INSURANCE
G	101-21706	Hospitalization/Medical Ins	\$12.00		JAN LIFE INS-STEVE PETERS
G	101-21706	Hospitalization/Medical Ins	\$10.90		JAN LIFE INS-DARON FRIESEN
E	101-41400-134	Employer Paid Life	\$3.40		JAN LIFE INS-OFFICE
G	101-21706	Hospitalization/Medical Ins	\$25.30		JAN LIFE INS-ROBB ANDERSON
E	101-42100-135	Employer Paid Other	\$1.70		JAN BRIAN LUNZ LIFE INSURANCE
E	101-45200-134	Employer Paid Life	\$1.02		JAN LIFE INS-PARKS DEPT
E	101-43100-134	Employer Paid Life	\$3.06		JAN LIFE INS-ST DEPT
E	211-45500-134	Employer Paid Life	\$1.70		JAN LIFE INS-LIBRARY
E	101-41400-134	Employer Paid Life	\$1.70		JAN WENDY FAST-LAKER APTS-LIFE INS
E	101-42100-134	Employer Paid Life	\$6.80		JAN LIFE INS-POLICE DEPT
<b>Total MINNESOTA MUTUAL LIFE</b>			<b>\$72.00</b>		
Paid Chk#	9918332	1/14/2016	<b>MINNESOTA STATE FIRE DEPT ASSO</b>		
E	221-42200-433	Dues and Subscriptions	\$170.00		2016 FIRE DEPT DUES
<b>Total MINNESOTA STATE FIRE DEPT ASSO</b>			<b>\$170.00</b>		
Paid Chk#	9918333	1/14/2016	<b>MUSKE, MUSKE, SURHOFF</b>		
E	101-41400-304	Legal Fees	\$1,400.00		JANUARY LEGAL RETAINER
<b>Total MUSKE, MUSKE, SURHOFF</b>			<b>\$1,400.00</b>		
Paid Chk#	9918334	1/14/2016	<b>NORTHLAND TRUST SERVICES</b>		
E	332-47000-617	2002 Improve Interest	\$2,625.15		INTEREST-JENNY'S SUB
E	332-47000-607	2002 Improve Principal	\$23,650.00		PRINC-JENNY'S SUB
<b>Total NORTHLAND TRUST SERVICES</b>			<b>\$26,275.15</b>		
Paid Chk#	9918335	1/14/2016	<b>PEST PRO</b>		
E	101-41400-401	Repairs/Maint Buildings	\$0.00		2016 QUARTERLY SERVICE AT CITY HALL
<b>Total PEST PRO</b>			<b>\$0.00</b>		
Paid Chk#	9918336	1/14/2016	<b>SW/WC SERVICE COOPERATIVES</b>		
E	101-42100-135	Employer Paid Other	\$420.50		FEB HEALTH INS-BRIAN LUNZ
E	101-42100-131	Employer Paid Health	\$420.50		DEC HEALTH INS-JAKE
E	101-46200-131	Employer Paid Health	\$737.64		FEB HEALTH INS-CEMETERY
E	101-42100-131	Employer Paid Health	\$3,224.16		FEB HEALTH INS-POLICE DEPT
E	101-42100-131	Employer Paid Health	\$420.50		JAN HEALTH INS-JAKE
E	101-42100-135	Employer Paid Other	\$420.50		FEB HEALTH INS-KEN BRADFORD
E	205-46500-131	Employer Paid Health	\$1,229.42		FEB HEALTH INS-EDA
E	211-45500-131	Employer Paid Health	\$1,229.42		FEB HEALTH INS-LIBRARY
E	101-45200-131	Employer Paid Health	\$737.66		FEB HEALTH INS-PARKS DEPT

6

**\*Check Detail Register©**

December 2015 to January 2016

		Check Amt	Invoice	Comment
E 101-43100-131	Employer Paid Health	\$2,212.96		FEB HEALTH INS-ST DEPT
E 101-41400-131	Employer Paid Health	\$2,458.84		FEB HEALTH INS-OFFICE
E 101-42100-131	Employer Paid Health	(\$54.50)		CREDIT-JAKE HEALTH INS
<b>Total SW/WC SERVICE COOPERATIVES</b>		<b>\$13,457.60</b>		

Paid Chk#	9918337	1/14/2016	WDR #54			
E 101-43100-430	Miscellaneous	\$16.00		LICENSE TABS-#11		
E 101-45200-430	Miscellaneous	\$16.00		LICENSE TABS-PARKS TRAILER		
E 101-43100-430	Miscellaneous	\$16.00		LICENSE TABS-#9		
E 101-45200-430	Miscellaneous	\$16.00		LICENSE TABS-ST/PARKS ALUM TRAILER		
E 507-46103-430	Miscellaneous	\$16.00		LICENSE TABS-LAKE COMM CAN TRAILER		
E 101-45200-430	Miscellaneous	\$16.00		LICENSE TABS-XMAS TREE TRAILER		
E 101-43100-430	Miscellaneous	\$16.00		LICENSE TABS-#20		
E 101-43100-430	Miscellaneous	\$16.00		LICENSE TABS-#16		
E 101-43100-430	Miscellaneous	\$16.00		LICENSE TABS-#15		
E 101-43100-430	Miscellaneous	\$16.00		LICENSE TABS-#14		
E 101-43100-430	Miscellaneous	\$16.00		LICENSE TABS-#12		
E 101-45200-430	Miscellaneous	\$16.00		LICENSE TABS-#4		
E 101-43100-430	Miscellaneous	\$16.00		LICENSE TABS-#13		
<b>Total WDR #54</b>		<b>\$208.00</b>				
<b>10100 United Prairie</b>		<b>\$591,030.09</b>				

**Fund Summary**

<b>10100 United Prairie</b>		
101 GENERAL FUND		\$43,939.53
205 ECONOMIC DEVELOPMENT AUTHORITY		\$1,680.99
211 LIBRARY FUND		\$3,365.52
221 FIRE DEPT FUND		\$217.49
231 AMBULANCE FUND		\$1,368.08
240 PROTIENT--DTED LOAN		\$74.49
303 TIF #1-5 POPD KERNS		\$101,426.25
307 LAKEVIEW ESTATES-2007-2015A		\$51,579.24
308 2011 BOND REFUND-06 ST PROJ		\$97,820.44
332 2002 STREET IMPROV		\$26,275.15
341 T.I.F.# 1-6 MT POWER		\$155,721.25
342 T.I.F.#1-4 GOOD SAM		\$42,323.75
450 DOWNTOWN-ROSS PROJECT		\$19,004.58
507 LAKE COMMISSION FUND		\$2,995.21
607 EDA----4 PLEX FUND		\$12,198.80
608 EDA----8 PLEX FUND		\$30,533.54
609 EDA-- MASON MANOR		\$505.78
		<b>\$591,030.09</b>

7

Paid Chk# 000419E 1/4/2016 STATE OF MINNESOTA

E 101-41910-430 Miscellaneous \$3.09  
Total STATE OF MINNESOTA \$3.09

4TH QTR BLDG PERMIT SURCHARGE

Paid Chk# 000420E 1/6/2016 BCBS/HSA

E 101-46200-130 Employer Paid HSA \$990.00  
E 205-46500-130 Employer Paid HSA \$1,650.00  
E 211-45500-130 Employer Paid HSA \$1,650.00  
E 101-41400-130 Employer Paid HSA \$3,300.00  
E 101-42100-130 Employer Paid HSA \$4,300.00  
E 101-43100-130 Employer Paid HSA \$2,970.00  
E 101-45200-130 Employer Paid HSA \$990.00  
Total BCBS/HSA \$15,850.00

JANUARY 2016 CITY HSA CONTRIBUTION  
JANUARY 2016 CITY HSA CONTRIBUTION

Paid Chk# 000421E 1/4/2016 US DEPT HEALTH & HUMAN SERV

E 101-00000-430 Miscellaneous \$1,584.00  
Total US DEPT HEALTH & HUMAN SERV \$1,584.00

2016 TRANSITIONAL REINSURANCE CONTRIBUTION

Paid Chk# 000422E 1/6/2016 UNITED PRAIRIE BANK

E 609-46330-610 Interest \$867.52  
G 609-22800 Notes Payable - Current \$423.01  
Total UNITED PRAIRIE BANK \$1,290.53

MASON MANOR-INTEREST PAYMENT  
MASON MANOR-PRINC PAYMENT

8

**DRAFT**  
**Regular Council Meeting**  
**Mountain Lake City Hall**  
**Monday, January 4, 2016**  
**6:30 p.m.**

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

Members Absent: Andrew Ysker

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

Others Present: Doug Regehr; Cheryl Hiebert, Observer/Advocate

**Call to Order**

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

**Agenda and Consent Agenda**

Motion by Kass, seconded by Kruser, to amend the consent agenda with the additions of 7c. The Overland Group and 7 d. Public Meeting with MN Pollution Control Agency (MPCA) staff. Motion carried unanimously. Motion by Savage, seconded by Kass, to approve the consent agenda as presented and adopt the agenda as amended. Motion carried unanimously.

Bills: Check #'s 9918234-9918271; 416-418E

Payroll Checks #'s 62207-62244

Dec. 22 Council Minutes

Dec. 10 Utility Commission Minutes

Nov. 18 Library Board Minutes, Nov. Expenditures and Nov. Library Report

Resolution #1-16 Accepting a \$8,000 Gift from the Mt. Lake Fire Relief Association

**Public**

Cheryl Hiebert discussed Memory Park with the council. The park is often littered with garbage although there are trash cans. She has spoken to the staff at The Studio about the problem. It was determined that the community center rental information should be amended to remind parties using the building to check the park following their event if attendees use the park.

**2016 Organizational Items**

**Meeting Schedule**

Motion by Kruser, seconded by Kass, to approve the 2016 meeting schedule. Motion carried unanimously. The council will meet the first and third Mondays of the month at 6:30 p.m. with the exception of second January meeting moved to Tuesday January 19; the second February meeting moved to Tuesday March 1; the second June meeting to Wednesday June 22; the first July meeting to Tuesday July 5; the first September meeting to Tuesday September 6; and both December meetings to Tuesday, December 6 and Tuesday December 20.

### **Designations and Appointments**

The 2016 Designations and Appointments were reviewed and corrected. Motion by Kass, seconded by Kruser, to adopt the listing. Motion carried unanimously.

### **Investment Policy**

The Investment Policy was briefly reviewed. Motion by Savage, seconded by Kruser, to adopt the policy. Motion carried unanimously.

### **Rates, Fees and Administrative Fines**

Ordinance #1-16, Establishing Rates, Fees, and Administrative Fines was reviewed and corrected for clarity. Motion by Kass, seconded by Kruser, to adopt the ordinance. Motion carried unanimously.

### **Minimum General Fund Balance and Assignment of General Funds**

Resolution #2-16 Minimum General Fund Balance and Assignment of General Funds was reviewed. Motion by Kruser, seconded by Savage, to adopt the resolution. Motion carried unanimously.

### **Salaries, Wages and Health Saving Account Contributions**

Motion by Kass, seconded by Kruser, to approve a \$.50/hour increase for all non-union employees, salary increases as per contract for those employees represented by American Federation of State, County and Municipal Employees (AFSCME) and Law Enforcement Labor Services (LELS) and Health Saving Account (HSA) contributions as per union contract to union and non-union full-time employees.

### **Call for Proposals, Guaranteed Energy Savings Program (GESP)**

The requests for proposal documents were reviewed. Motion by Kass, seconded by Kruser, to approving the documents and calling for proposals. Motion carried unanimously.

### **Approve Water, Sewer and Electric 2016 Budgets**

The water, sewer, and electric budgets were reviewed. Motion by Savage, seconded by Kruser, to adopt the budgets. Motion carried unanimously.

### **Call for RICE/NESHAP Compliance Hardware Bids for Five (5) Electric Generators**

By ordinance the expected cost of the hardware requires that the council and not the utility commission call for bids. Motion by Savage, seconded by Kass, to call for bids. Motion carried unanimously.

**Police Vehicles**

The Administrator clarified that the cost of the police car authorized at the previous council meeting does not include the cost of installing any equipment. The council was updated on damage to the Expedition caused by an accident.

**Sidewalk Snow Removal**

Section 7.03 Sidewalk Regulation and the removal of snow from public sidewalks following a snow storm were reviewed and discussed. The administrator will be sending notices to those who have not cleaned their sidewalks following the recent snow.

**Overland Group**

The Economic Development Authority (EDA) has received a Termination of Contract notice from the Overland Group for the parcel located at the intersection of County Road 1 and First Avenue North. The EDA will be withdrawing its petition to re-zone the property from Industrial (I) to General Commercial (C-2).

**Meeting with MN Pollution Control Agency (MPCA)**

The council and utility commission will be holding a public meeting with MPCA staff to discuss and review the city's needed wastewater treatment upgrades. Discussion was held on when the meeting should be scheduled.

**City of Mountain Lake vs. Kenneth Yoder and Rachel Yoder**

Nelson closed the open meeting and opened the closed meeting at 7:38 p.m. attorney/client privilege. The closed meeting was closed and the open meeting opened at 7:55 p.m. No action taken.

**Adjourn**

Nelson adjourned the meeting at 7:56 p.m.

ATTEST:

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Wendy Meyer, Clerk/Administrator

**City of Mountain Lake  
Planning and Zoning Commission  
Monday, Nov. 23, 2015  
5:30 p.m.  
City Hall**

Members Present: Sharron Hanson, Nathan Harder, Dean Janzen, Doug Regehr, Nik Strom, Tim Swoboda

Members Absent: Bryan Bargaen

Staff Present: Wendy Meyer, Clerk/Administrator

Others Present: Dana Kass, Council Member; Tommy Johnson, Mo Johnson, Jason Johnson, Corinne Green, Floyd Green, Richard Krahn, Don Ross, Lanny Green, Rakki Peterson

**Call to Order**

The Vice - Chair Nik Strom called the meeting to order at 6:30 p.m.

**Approval of Agenda and Sept. 28 and Nov. 2 minutes**

There were no additions to the agenda. Motion by Janzen, seconded by Hanson, to adopt the agenda as presented. Motion carried unanimously. Motion by Swoboda, seconded by Hanson to approve the Sept. 28 and Nov. 2 minutes. Motion carried.

**5:35 PM Public Hearing - Re-zoning of 22.524.0010, Co. Rd. 1**

Following the Nov. 23 commission meeting it was determined that by Mt. Lake code a public hearing must be held before any zoning change is recommended to the city council.

Strom opened the public hearing at 5:35 p.m. The parcel, approximately 2 acres in size is currently zoned Industrial (I). The EDA has filed a petition requested the parcel be re-zoned to General Commercial (C-2).

Overland Properties LLC wants to construct a Dollar General store on the property.

Mo Johnson asked questions about the amount of noise, traffic and light that would be created by the store. She was concerned about the effect it would have on the value of her property across the street and to the north. She asked if the city could require the store to provide fencing to limit noise, light and other potential nuisances. She also asked about constructing a fence on her property to block the view.

Tommy Johnson and Jason Johnson raised similar questions.

Don Ross stated he had attended the meeting to learn the reasons behind the petition to re-zone. The re-zoning should not allow a use that bothers the neighbors.

Dean Janzen asked about storm water run-off. Will Overland need a National Pollutant Discharge Elimination System (NPDES) permit?

There was general discussion on the impact a store would have on the neighbors. The property is currently zoned Industrial (I). Permitted industrial uses would also impact the neighbors.

The public hearing was closed at 5:55 p.m. The Commission directed the administrator to contact the EDA and Overland to determine the location of the store and parking lot on the lot, other building details and if a pond will be constructed and where. A special meeting will be held at noon Mon. Dec. 14 if the information requested can be gathered by that time.

#### **Variance from Setbacks, Green, 409 7<sup>th</sup> St. PIN 22.413.0590**

The owner of the property wants to replace the front steps with a small deck and steps that will extend into the setback. The plot map and other information in the packet were briefly reviewed. Richard Krahn stated that the Greens have improved the appearance of the property. The commission found that the setbacks at the time the house was constructed were less than they are now, that none the houses on this section of 7<sup>th</sup> St. meet the current setback requirement, that the deck is small, would not block views, would not be a detriment to the neighborhood, would approve the appearance of the house, and would have a positive impact on the neighborhood. Motion by Janzen, seconded by Hanson, to recommend to the City Council that the variance be granted. Motion carried unanimously.

Discussion was held on revising the setback ordinance to allow small, low decks in the setback. The petition by the owner of 409 7<sup>th</sup> St. is similar to a petition earlier in 2015 for 721 Basinger Memorial Dr. The administrator noted that 1007 5<sup>th</sup> Ave. will need to petition for a variance for the same issue. Another property 1015 6<sup>th</sup> Ave. met set requirements by less than two feet. Since the city is seeing a number of variance petitions for the same issue a better approach might be to revise the ordinance. Ordinances from the cities of Windom and St. James that allow small deck extensions into the setback were reviewed. The issue will be revisited at a future meeting.

#### **Oct. & Nov. Building and Shingling/Siding Permits**

The building permits were reviewed. Motion by Swoboda, seconded by Hanson to approve the building permits with the exception of 409 7<sup>th</sup> St. N. and 1007 5<sup>th</sup> Ave. and to approve the 409 7<sup>th</sup> St. and 1007 5<sup>th</sup> Ave. building permits contingent on the issuance of a variance. Motion carried unanimously.

**6PM Public Hearing - Conditional Use, Island View Campground**

There was a misunderstanding regarding the height of the Wi-Fi tower needed at the campground. The administrator requested that the public hearing be continued to the next meeting.

**December Meeting**

By consensus it was agreed that the Dec. 28 meeting would be moved to January 11. The regularly scheduled January meeting is January 25.

**Adjourn**

Motion by Swoboda, seconded by Janzen, to adjourn at 6:28 p.m.

**Approved January 11, 2016.**

ATTEST:

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Wendy Meyer, Clerk/Administrator

**City of Mountain Lake**  
**Planning and Zoning Commission**  
**Mon., Dec. 14, 2015**  
**Noon**  
**City Hall**

Members Present: Sharron Hanson, Nathan Harder, Dean Janzen, Doug Regehr, Nik Strom, Tim Swoboda

Members Absent: Bryan Bargaen

Staff Present: Wendy Meyer, Clerk/Administrator; Rob Anderson EDA Director

Others Present: Tommy Johnson, Jason Johnson, Corinne Green, Don Ross,

**Call to Order**

The Vice - Chair Nik Strom called the meeting to order at 12:05 p.m.

**Approval of Agenda** There were no additions to the agenda. Motion by Janzen, seconded by Regehr. Motion carried unanimously. Motion carried.

**Re-zoning of 22.524.0010, Co. Rd. 1**

The parcel, approximately two (2) acres in size is currently zoned Industrial (I). The EDA has filed a petition requested that the parcel be re-zoned to General Commercial (C-2). Overland Properties LLC wants to construct a Dollar General store on the property. Answers provided by Overland to the questions raised by commissioners and the public at the Nov. 23 commission meeting were reviewed. There were follow-up questions and discussion from the commissioners and the public. The maps, League of MN Cities Handouts, and sections of the city's Comprehensive Plan were reviewed and discussed. Commissioners shared their views on the re-zoning petition. The 60 day rule was discussed. The city can extend the 60 day period for an additional 60 days, this will be done if necessary. Motion by Janzen, seconded by Hanson to recommend a change in zoning for PIN 22.524.0010 from Industrial (I) to General Commercial (G-2). Voting yes: Hanson, Harder, Janzen, Strom, Swoboda; Voting no: Regehr.

**Adjourn**

Motion by Swoboda, seconded by Janzen, to adjourn at 12:39 p.m.

**Approved January 11, 2016.**

ATTEST:

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

15

December 2015  
 City of Mt. Lake  
 Building Permits

Shingling/Siding							
Ewert	Tony	811 N. 10th St.	22.611.1250	S	Herrig BC 494997	shingle house/garage	
Green	Geraldine	1411 Prince St.	22.290.0030	S	self	garage roofing and siding, house siding	

SPECIAL UTILITIES COMMISSION MEETING  
WEDNESDAY, DECEMBER 23, 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: None

Mark Langland - Chairman called the special meeting of the Utilities commission for December 23, 2015 to order at 7:00 a.m.

1. Minutes and Bills: Motion by Mike Johnson seconded by John Carrison to accept the bills and minutes as presented. Motion Carried. Checks #15821-15854.

2. Water/Wastewater Department:

**2016 Private Sewer Televising:** The loan is available only for full replacement not for spot repairs.

**Private Contractors:** Private Contractors need to be licensed and bonded.

**Block 7, alley behind Care & Share, Custom Motors, Mtn. Lake Fitness and JSK Bridal:** The Commission decided that this project will not be done until 2017.

3. Electric Department:

**NESHAP/RICE Update:** Fairbanks Morse can do all 5 engines. Their quote is \$313,000 for the 3 cat engines or \$382,000 for all 5 engines. No action was taken.

**Tuck pointing:** Karr gave a quote of \$50,768 and Schoonover Tuck pointing quote was \$86,841. Ron will ask both of them to break down the quotes into 4 sections of the buildings.

**Digger Derrick:** The used remotes for the truck were \$10,000. The company will come and do training on the truck at a later date.

4. Office:

**Budgets:** Motion by Todd Johnson seconded by Mike Johnson to make the changes to the inter departmental charges line in the Electric and water funds and accept them with this change. Motion carried.

Meeting adjourned.

REGULAR MEETING  
ECONOMIC DEVELOPMENT AUTHORITY  
December 4, 2015  
12:00 Noon

PRESENT: Mike Nelson, Vern Peterson, Steve Syverson, Mark Hanson, Brian Harder, Jerry Haberman, Darla Kruser, and Brad Hanson and Clara Johnson, Advisors

ABSENT: None

STAFF PRESENT: Rob Anderson and Marva Ott

GUESTS: Cheryl Hiebert-O/A; Karen Griffith and MaKayla Price-Daycare; Dean Janzen

1. Call to Order: Mark called the meeting to order.
2. Consent Agenda. Additional bills were presented from KDOM- \$274.00, MAAC- \$3,188.00, Willie Krahn-\$480.00, Municipal Utilities-\$150.24 and Dilly Rodney-\$10.00. Rob explained the MPCA bills from last month at the request of the board. Motion made and seconded by Steve and Mike to approve the minutes, bills and financials as presented including the additional bills. Carried.
3. Public Hearing on Sale of Land to Overland Group: Mark closed the EDA meeting and opened the public hearing at 12:03. Dollar General is offering to pay \$110,000.00 for the land and they will want 180 days to review before closing on the deal. No one present or in writing were opposed to the sale. Mark then closed the public hearing and re-opened the EDA meeting. Motion was made and seconded by Brian and Darla to approve the sale of the property to Overland Group for \$110,000.00. Carried.
4. Daycare Loan request of Karen Griffith and MaKayla Price: Both were present at the meeting and the board asked several questions of the two which they answered. The ladies told the board that they still need to have a state inspection and fire inspection of the property before they can open. They are asking for \$27,000.00 loan from the EDA at 3% over 15 years. The EDA would have a UCC Financing statement on equipment and furnishings. Rob is proposing that we lease the building to them for 1 year with no rent payments for 6 months. EDA would be responsible for property taxes and snow removal. Tenants would do lawn mowing and inside maintenance. More questions were asked and answered. They would like to open the 1<sup>st</sup> of January and would be licensed to take up to 14 kids initially. Their plan is to change to a daycare center as soon as possible (by June 1<sup>st</sup>). They would also like to have a sink and toilet put in the upstairs level if possible. More questions were asked and answered. The ladies were then excused from the meeting and told Rob would be getting in touch with them with the board's decision. Discussion continued including asking Rod and Beth Smith to help them out with equipment and how to run the daycare correctly. The board also expressed that they would like to monitor expenses and ask for a P&L statement by the 15<sup>th</sup> of each month after they begin. The cash flow projections show only a \$2,000.00 salary draw. The board felt we should set up an escrow account to pay bills from as they come in. The EDA would also like to see buy-sell agreements. After more discussion, a motion was

made by Vern and seconded by Jerry to approve a \$2,000.00 unsecured start-up loan so they can get the licensing and inspections done right away. Motion carried. The board would like more details and plans from the ladies and also would like the Smith's to help mentor them. Rob will contact the Smith's and also let the ladies know of the board's decision.

5. TIF District for Downtown Rehab:
  - a. Timeline for demo-demolition will start any day now. Laraway Roofing is coming on Monday to look at the Picker's roof. The Depot building has been moved to Heritage Village now.
  - b. Construction committee met with Brunton Architects to look at concepts for new building. One concept included apartments on the 2<sup>nd</sup> level of the building. There was discussion about whether the EDA should be doing apartments and competing against private rentals. Discussion continued for and against doing apartments. Matter was tabled for now. Rob was asked to research the area for apartment vacancies and rents.
  - c. Other: We need to get quotes from Bargens and Quad Brothers on the cost of doing the Picker's wall once the demo is complete. We may have to do an email vote or have a special meeting once we receive the quotes.
6. Barbara Rodney- plans for Parkside Depot building: Rob explained Barbara's new plan is to do a restaurant only in the lower level again. She would need \$75,000.00 which would include \$25,000.00 from the EDA, \$25,000.00 from the Rodney's and \$25,000.00 from a bank loan. Rob asked if the EDA would like to do the loan now or wait till she gets other financing in place and see if Ron Patrick would be willing to subordinate his loan. The board would like to see if Ron Patrick will subordinate first and make sure her plans are complete.
7. Industrial Park Planning. Nothing new.
8. Web Site. Not ready yet.
9. General Discussion:
  - a. Salon 310-the bank agreed to extend their loan out.
  - b. Next Regular Board Meeting is scheduled for January 8<sup>th</sup>.
  - c. Other: several other items were discussed with no action.
10. Nothing further. Meeting was adjourned.

EDA SPECIAL MEETING  
December 16, 2015 12:00 Noon  
COUNCIL CHAMBERS

EDA MEMBERS PRESENT: Mark Hanson, Mike Nelson, Vern Peterson, Brian Harder and Clara Johnson and Brad Hanson, Advisors.

STAFF PRESENT: Rob Anderson and Marva Ott

CITY ADMINISTRATOR: Wendy Meyer

GUESTS: Rodney Smith; Cheryl Hiebert-O/A; Karen Griffith and MaKayla Price

1. Mark called the meeting to order.
2. Consider loan application from 12-4-15 meeting from Karen and MaKayla for Daycare: At the December 4<sup>th</sup> meeting the EDA set conditions they wanted met before they would approve the full loan. The board did approve \$2,000.00 advance at the previous meeting.
  - a) Report on progress of December 4<sup>th</sup> meeting loan conditions:
    - Rodney and Beth Smith mentoring: the Smith's have met with the ladies-questions were asked and answered by both parties. The board had more questions for Rodney and the ladies.
    - Escrow funds for \$25,000 loan: Dawn Fast came in to the meeting and explained her ideas to the board on how to do the financial end. Rob explained how it would work also. They could possibly use a debit card for some expenses. We would need original invoices from them.
    - Monthly profit and loss statements/salary monitoring: Rob will help with that. Provider's Choice system will be used to help them keep track of income/expenses.
    - Partnership agreement: The board felt they needed to add life insurance on each of them to the agreement to protect if something would happen to one of them. Questions were asked about a center and licensing on that.

Motion was made and seconded by Vern and Mike to approve the loan for \$25,000.00 with conditions discussed. More discussion continued. The board asked when they would be ready to open. They said they would like to be opened by mid-January or February 1<sup>st</sup>. Motion on the floor carried.
  - b) Plumbing on 3<sup>rd</sup> floor estimate: Country Pride has looked at the plumbing issue and has given an approximate estimate of \$5,000.00 to do the sink and toilet. After discussion the board decided they will wait to see if the 3<sup>rd</sup> floor will be approved for infants and toddlers before they consider doing anything about the plumbing.
  - c) Lease: the lease proposed will be a one year lease with no payments due the 1<sup>st</sup> 6 months. The EDA will pay for snow removal, taxes and the tenants will do lawn care and building maintenance on the interior. A motion was made and seconded by Brian and Mike to approve the lease as presented. Motion carried.

3. TIF District 1-8 Downtown Rehab project:

- a. Update on Demo: Mark and Rob explained the situation with the shared wall between the 10th Street Pickers building and the old hat shop building. The hat shop building was built first, then 10th Street Pickers was built onto the building at a later time. 10th Street Pickers roof comes over and rests on the shared wall. The hat shop was added on to at some point and there are 3 foundations. Mike discovered when he was up in the attic of the hat shop that there was a fire in the building at some point in the past. Not all of the burnt structure was replaced. That is when Mike discovered that there is an opening running the length of the hat shop building that goes into 10th Street Pickers and Mt. Lake Floral roof trusses. When we found out about this Rob contacted Brunton to come and investigate. When Corey Brunton arrived on site he discovered that the problems were greater than his license will allow him to fix so Corey called in a favor and got a structural engineer to come to the site. Rob contacted 4 local contractors to meet with Corey Brunton so they could see what is needed to be done so that we could get multiple cost estimates. Only Herrig's Construction attended the meeting. All other contractors told Rob that they were too busy to come, bid, and do the work. Herrig's met with Corey Brunton and the structural engineer and they devised a plan that would solve the problems and prepare the hat shop for demolition. Herrig's will also work with Laraway Roofing on the separation of the roof from the hat shop building. Rob asked Herrig's to begin work immediately on the structural issues because of the potential danger of damage to the 10th Street Pickers roof and wall prior to demolition.
- b. Also, Rehnelt Excavating told Rob that they were anxious to finish work and wrap-up their year. Rob asked Herrig's to give him a written estimate on the work to be done with the structural issues, roof, foundation and shared wall. That estimate was received for \$22,434.85 with Option A to extend the siding all the way to the end of the 10th Street Pickers wall on the north side for \$6,842.50. Motion made and seconded by Brian and Mike to accept the construction estimate from Herrig's for \$22,434.85 and Option A for \$6,842.50. Carried. Mark abstained from the vote.

Mike stated that the dirt removed from under the depot building had large chunks of concrete mixed in throughout so could not be used as back fill. Rehnelt Excavating started to haul the pile to the county landfill but it was going to cost \$1,000 per load so Rob stopped further hauling and Mike contacted Nickel Construction who agreed to haul the pile to their demo landfill; however, it is now too muddy at their site to take the dirt and concrete so Mike arranged to have the dirt hauled to the city burn site where it will be stored until the spring when it can be moved to Nickels.

- c. Other: Rob stated that when Goldschmidt was preparing to move the depot building they broke a clay field tile. No one knew about the tile being there and it is not a city tile. Mike stated that water ran heavily from the pipe at the beginning. Mike got a sump pump from the city street shop and pumped the water out. When he came back to the site, the water was gone and the hole was dry. Rehnelt filled in the hole without reconnecting the pipe. Mike stated that we can take the gamble that the tile is dead or dig it up and investigate where the pipe goes. Brad suggested that we have the city utilities use their camera to televise the pipe. It was the general consensus of those board members attending that we dig it back up and reconnect the pipe. Rob will contact Rehnelt to see if they can give us an estimate on the cost; since they are still on site, it shouldn't be

4

21

too bad. Mark stated that in the interest of time, Rob should be given the authority to approve an estimate given by Rehnelt. Motion made and seconded by Vern and Brian to give Rob the authority to approve the work to be done by Rehnelt if the estimate is under \$1,000. If the estimate is over \$1,000, Rob should send out an email to board members with the dollar amount. Wendy stated that Goldschmidt is responsible for breaking the tile, they should be sent the invoice. Carried.

4. Other: Mark brought up day care and stated that the EDA and community is very fortunate to have the Smith's agree to mentor MaKayla and Karen. Mark stated that although the Smith's have turned down our offer to pay them, as an incentive to mentor and keep them involved and motivated, the EDA should pay them something. Motion made and seconded by Brian and Vern to pay the Smith's \$300 a month for 6 months for their services. If they still turn it down, that's up to them. Carried. Rodney stated that he appreciates the gesture but it is not necessary. Rodney stated that he is concerned that both gals plan to have a license under the same roof. He asked Rob to look into the validity of this working with the county day care license department. He questioned why they would want to start out with 2 day care licenses when their goal is to get down to 1 center license.

Regarding Custom Motors, Rob stated that several different responses were received by the board regarding the email for accepting Bill's proposal to endorse a \$1,600 check to the EDA for rent payment. Rob talked to President Hanson and determined that taking the money would be in the best interest of the EDA so yesterday afternoon Dawn and Rob went with Bill to United Prairie Bank to make the deposit. Bill is now current on his rent. Rob stated that Fulda Credit Union is interested in renting space from Bill/Custom Motors. They would wall off Bill's office, create a door in the storage room and wall off the wall to the break room. Rob met with Bill this morning to explain the lease and Bill informed Rob that Fulda Credit Union will be financing his purchase of the building from the EDA and will sign a 5 year lease with Bill. Bill stated to Rob that he hopes to have all of the particulars of the deal worked out by the end of December, get the building purchased from the EDA and start renovations in January and have Fulda Credit Union in place by mid February. The EDA would be required to have a public hearing to sell the property to Bill.

5. With no other business, motion was made and seconded by Brian and Vern to adjourn the meeting at 1:15 p.m. Carried.

**Mountain Lake Public Library Board Minutes  
December 30, 2015**

**Members Present:** Diane Englin, Marci Hernandez, Dennis Cords, Carol Lehman-Director

**Members Absent:** Barrie Wright, Vickie Krueger

**Others Present:** None

The meeting was called to order at 4:12 pm by acting chairman, Diane Englin.

**M/S/P Englin/Hernandez** to approve the minutes of the November 18, 2015 meeting.

**Carol presented the November monthly report** indicating 2,921 total circulation and expenditures in the amount of \$3,151.51. **M/S/P Hernandez/Cords** to accept the report as given and to approve the November expenditures.

**Old Business:** Board members, Barrie Wright and Marci Hernandez agreed to serve a 2<sup>nd</sup> term (January 1, 2016 through December 31, 2018).

Carol reported that the new furnace was recently installed in the east addition.

**New Business:** The Winter Reading Program begins January 1, 2016 and continues through March 31, 2016. The theme is *"Book Your Winter Getaway"*.

**Library activity report for November** was given.

Meeting adjourned at 4:50 pm by acting chairman, Diane Englin.

**NEXT MEETING: Wednesday January 13, 2015 – 4:00pm.**

Respectfully submitted,

Marci Hernandez, secretary

CITY OF MOUNTAIN LAKE

PUBLIC LIBRARY REPORT

MONTH OF December, 2015

CIRCULATION AND USE

Adult fiction	_____
Adult nonfiction	_____
Non print (includes videos, cassettes, art prints, etc.)	_____
Juvenile	_____
Periodicals	_____

TOTAL CIRCULATION 2,962

Interlibrary loan sent	<u>245</u>
Interlibrary loan received	<u>260</u>

TOTAL ILL 505

ILL NON SYSTEM 61

RECEIPTS

Cash income	_____
Donations (monetary)	_____
County Revenue	_____
Misc. Revenue	_____
Fines	<u>7.00</u>
Meeting room rental	_____
Sale of supplies	_____

TOTAL RECEIPTS \_\_\_\_\_

EXPENDITURES

Books	<u>370.40</u>
Periodicals	<u>1,239.76</u>
Audio-visual	<u>171.67</u>
Supplies	<u>291.31</u>
Postage	_____
Miscellaneous	_____
Telephone	<u>63.09</u>
Repairs & maintenance	<u>345.00</u>
Repairs & maint. of equipment	_____
Project expense	_____
Capital outlay	_____
Automation	_____
Gas Utilities	<u>200.42</u>
TOTAL EXPENDITURES	<u>2,681.65</u>

24

LIBRARY DIRECTOR

Carol Lehman

## LIBRARY EXPENDITURES - DECEMBER 2015

Bloomberg Businessweek	Periodicals - 2 yr.	\$140.00
Bon Appetit	Periodicals - 3 yr.	\$39.00
Cook's Country	Periodicals - 2 yr.	\$44.95
Country Living	Periodicals - 1 yr.	\$21.97
Country Woman	Periodicals - 2 yr.	\$25.98
Elle Décor	Periodicals - 1 yr.	\$18.00
The Free Press	Periodicals - 1 yr.	\$263.88
Frontier	Telephone Expense	\$63.09
Gluten Free & More	Periodicals - 2 yr.	\$39.00
Good Housekeeping	Periodicals - 2 yr.	\$15.00
Harpers Bazaar	Periodicals - 1 yr.	\$21.97
Dennis Hulzebos	Repairs & Maint.-Janitorial	\$345.00
Indoff	Supplies	\$272.54
Ingram	Books	\$283.14
Mary Janes Farm	Periodicals - 1 yr.	\$19.95
Maynard's	Supplies	\$18.77
MN Energy Resources Corp.	Gas Utilities	\$200.42
MN Monthly (Hour Media LLC)	Periodicals - 3 yr.	\$35.95
National Geographic Society	Periodicals - 1 yr.	\$39.00
Northern Gardener (MSHS)	Periodicals - 2 yr.	\$63.00
Romantic Homes	Periodicals - 2 yr.	\$32.95

25

**LIBRARY EXPENDITURES - DECEMBER 2015**

<b>Southern Living</b>	<b>Periodicals - 1 yr.</b>	<b>\$25.00</b>
<b>Star Tribune</b>	<b>Periodicals - 1 yr.</b>	<b>\$394.16</b>
<b>Synchrony Bank/Amazon</b>	<b>Books 87.26 / AV 171.67</b>	<b>\$258.93</b>
		<hr/>
	<b>Total</b>	<b>\$2,681.65</b>

26

Police Commission Mtg  
December 10, 2015

Members Present: Sue Garloff, Andy Ysker, Wendy Myers, Norm Kunkel, Chuck Witt, Chris Boldt and  
Doug Bristol

Call To Order: Norm Kunkel

1. November Minutes read: no additions or corrections

Motion to approve: Chuck Witt: Seconded: Sue Garloff

2. Budget Expenditures

End of year for budget

Health insurance increases about 10-15% : 2 families and 3 singles currently

New contract with Computer Lodge: local: have remote accessibility and should be an easy transition.

The price per hour is the same

Dispatch fees and HEAT \$85 overage from what was budgeted

Ammo: sent Will to training with 1500 rounds needed

In June, Police Firearms Instructor Certification for 5 days

In October of 2016 Defensive training tactics: possibly send Jacob for 2 day training

3. Chief's Report

Chuck questioned what is the difference between citation issued and Handled by Officer: It is if the officer does something about it: usually traffic related or car in a ditch

Traffic stops: verbal: 32 counts

4. Old Business

Grant: Mtn. Lake Foundation In January: very supportive fo the Active Living Program

Bike giveaway in the Metro: 15 bikes to give away by Terry Esau in April

Jacob: new officer: currently in his 2<sup>nd</sup> week. Next week working nights with Emily and Will

5. New Business

New Squad: Sync \$258 smartphone that rings through speakers for hands free

Carpet out and rubber flooring in: Left hand spot lamp upgraded to \$366: LED an better light: 2 remote

key fobs: dome light red for cargo area: rear console plate as a channel run: courtesy lamps: \$110 for

predrilled head lamp and/or tail lamp: 4 lights when endgate is up-Doug believes can be installed

cheaper: 2 extra dumb keys to keep car running: comes with 4x6 backup camera on dash which is

standard: extended warranty of \$1500: new vehicle is not ordered, but has the pricing sheet

Looking at trade in options for old unit: 100,000 miles: no lights on dash and has good tires: or sealed bid

Currently we have 70,000\$ in the savings account: \$41,000 left after the car is paid for and then the detailing....Cages run about \$2000

Motion to Adjourn: Chris Boldt Seconded: Chuck Witt

**Regular Lake Commission Meeting  
Tuesday, Dec.15, 2015**

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

Guest Present: Wendy Meyer

Chair Peterson called the meeting to order at 6:30 p.m. M/S/P Funk/Schied to approve the minutes of the October 12, 2015 meeting, with a correction; Poison Ivy is on Second Island.

**Treasurer's Report:**

**Bills:**

Citizen Publishing – Thin Ice Ads	135.00
Allen D. Kahler – Commissioner for Yoder Hearing	1,124.20
Larry A. Mages – Commissioner for Yoder Hearing	1,269.10
Sid Ewert – Harvester Storage	180.00

**Income:**

State of MN. – Invasive Species Grant	4,229.03
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M/S/P Schied/Oeltjenbruns to approve Treasurer's Report

**Goals/Projects:** Jim read through a list of Lake Commission projects.

- It was decided to schedule workdays as needed. Some future workdays could be working on the island trail, cutting trees, and hauling brush.
- Jay suggested that we work with the school for Lake Clean-up Day.
- Members are willing to help with the 4<sup>th</sup> of July Fishing Contest, as needed.
- Keep the aluminum can bin as a fundraiser for now.
- Convert the beach to a recreation area with picnic tables, grill, and possibly sand volleyball.
- Continue Secchi disc readings.
- Request help from the Sportsmen's Club for the aeration system.
- Continue weed harvesting.
- Continue working on the fishing pier.
- Keep the web page.
- It was undecided whether or not to have an entry in the Pow Wow parade. If someone comes up with a good idea, we will.

Wendy presented a list of lake-related jobs that the city employees take care of.

**Aeration:** Leroy Radtke donated his time to cut thin ice signs out of old traffic signs. The decals are ready to be put on the blanks.

**Trail:** There are several companies that sell weed barriers, however, most of them are for small landscaping projects. More research needs to be done and possibly request some samples. We need two blind curve signs for Heppner's Point and two sharp curve signs where the trail turns at the bottom of the hill on 560<sup>th</sup> Ave.

**Members:** Jay's term is up in Dec. 2015. He will consider renewing his membership. We need a new member to replace the vacancy when Matt Anderson resigned.

Respectfully submitted,

Jean Haberman,  
Secretary

12/30/15

To: Chief Bristol and the City of Mountain Lake

With deep sadness I am officially putting in my resignation for Mountain Lake Police Officer effective February 29<sup>th</sup>, 2016. I am so grateful for the opportunity to serve the fine city of Mountain Lake. I have learned so much from the department, city workers and citizens of Mountain Lake. I truly believe it's a great city with great people in it.

This really has been a difficult decision to make that I have been weighing over for a long time now. I love being a police officer and working in your department. Lately, it has just become too much having a second job with my first job as a 911 dispatcher being so demanding.

I really feel that I have made great friends over the last 5 ½ years that I hope to keep for the rest of my life.

It has been an honor to serve with all of you

Thank you

Officer Tera L Hahle Badge #118



30

TO: Council  
FROM: Wendy  
RE: RICE/NESHAP

Because the upgrade of all five of the utility's generators would exceed \$100,000, by statute the sealed bidding process must be used. Because of the project cost city ordinance requires that the city council call for bids, which you did at the Jan. 4 meeting.

Ron Melson has been in contact with Mike Thielen, Utilities' Plus Energy Services (UPES), the utility's electrical engineer. It will take UPES about six weeks to have the bidding specifications ready.

The upgraded engines must be operational by May 1, 2016 to meet EPA requirements. If not operational by June 1, 2016 (start of MISO planning year) the utility will need to buy capacity for the entire year (June 1, 2016 to June 1, 2017). The utility would need to buy 3.4 MW of capacity. If the utility upgraded all five engines the utility would have excess capacity for sale. The projected income for selling 3.3MW is on a following page.

After considering the matter at their Thurs. Jan. 14 meeting the utility commission took action to upgrading only the two Cat engines at this time. This drops the cost to less than \$100,000, keeps the process moving forward, and should cover the utility's capacity needs for 6/1/16 – 6/1/17.

The utility has received three quotes. The commission accepted the low quote of \$81,659 from Fairbanks-Morse and entered into an agreement with UPES at \$13,650 to oversee the project. UPES is checking the quote and preparing an addendum for Fairbanks-Morse. Fairbanks-Morse feels that the two engines should be in compliance by June 1.

Electric reserves will be used to fund the project.

# Mt Lake Generator Retrofit Pay Back Analysis

NESHAP/RICE

## Retrofit Costs

Engines	\$382,811
Asbestos Abatement	\$20,000
Engineering Fee	\$20,000
<b>Total Cost</b>	<b>\$422,811</b>

**Capacity Available to Sell** 3.3 MW

## Example 1

### Estimated Capacity Value - varies based on market value

High Bilateral Price	\$2.25 Per Kw-mo
Low Bilateral Price	\$1.25 Per Kw-mo

<b>Payback Period (Years)</b>	High Price Scenario	4.7
	Low Price Scenario	8.5

Planning Year	2017-18	2018-19	2019-20	2020-21	2021-22
MW	3.3	3.3	3.3	3.3	3.3
High Bilateral Price (\$/kW-mo)	2.25	2.25	2.25	2.25	2.25
<b>Total</b>	<b>\$89,100</b>	<b>\$89,100</b>	<b>\$89,100</b>	<b>\$89,100</b>	<b>\$89,100</b>

**5 year total \$445,500**

Planning Year	2017-18	2018-19	2019-20	2020-21	2021-22
MW	3.3	3.3	3.3	3.3	3.3
Low Bilateral Price (\$/kW-mo)	1.25	1.25	1.25	1.25	1.25
	\$49,500	\$49,500	\$49,500	\$49,500	\$49,500

**5 year total \$247,500**

## Example 2

### Capacity Sale - using most recent capacity sale information

Planning Year	2017-18	2018-19	2019-20	2020-21	2021-22
MW	3.3	3.3	3.3	3.3	3.3
Existing Price (\$/kW-mo)	1.85	2.35	2.85	3.35	3.95
<b>Total</b>	<b>\$73,260</b>	<b>\$93,060</b>	<b>\$112,860</b>	<b>\$132,660</b>	<b>\$156,420</b>

**5 year total \$568,260**



Utilities Plus Energy Services, Inc.

18940 York St NW  
Elk River, MN 55330  
Phone: 763-441-1200  
Fax: 763-441-7500

January 11, 2016

Mountain Lake Municipal Utilities  
930 Third Avenue  
P.O. Box "C"  
Mountain Lake, MN 56159  
Attn: Wendy Meyer  
City Administrator

**Re: Mountain Lake Municipal Utilities  
Diesel Emissions Controls**

Dear Wendy,

Thank you for the opportunity to provide a proposal for review of proposals for the installation of emissions controls on 2 Caterpillar diesel engines located in the Mountain Lake Municipal Utilities power plant. This proposal is herewith submitted. Utilities Plus Energy Services Inc. will provide review of proposals for construction of the improvements.

Utilities Plus Energy Services Inc. proposes to complete the following services for a lump sum fee of **\$13,650.00**

- 1) Travel to Mountain Lake to gather proposals, and discuss project with owner, mechanical disciplines are to be represented by UPES.
- 2) Review equipment shop drawings to determine proper mechanical connections, electrical connections and structural supports.
- 3) Review bids, make recommendations to award contract, and prepare contract documents including electrical, mechanical and structural.
- 4) Travel to Mountain Lake for pre-construction meeting with successful contractor and Owner.
- 5) Travel to Mountain Lake for final inspection and system testing. Electrical and mechanical, structural available by phone.
- 6) Prepare a certificate of completion for construction and emissions testing.

If the proposal is acceptable please sign 2 copies, retain 1 copy for your records and return 1 copy to us.

Please feel free to call me at any time with your comments, questions or other requests. We look forward to working for you.

Accepted: Mountain Lake Municipal Utilities

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Sincerely,  
Mike Thielen  
Utilities Plus Energy Services  
W: (612) 801-8539

Kip Kennedy  
Utilities Plus Energy Services  
W: (218) 744-4200

COMPARISON OF PROPOSALS

For

DIESEL ENGINE EMISSIONS CONTROLS

MOUNTAIN LAKE, MN

January, 2016

Contractor	Ziegler	Fairbanks-Morse	Midstates Erectors
Price for 2 Caterpillars	\$98,000	\$81,659	\$106,524
Price for 3 FM OP's	No Bid	\$313,286	\$343,792
Close Cat. Crankcase Vents	Yes	Yes	Yes
Close OP Crankcase Vents	No Bid	1 of 3	1 of 3
Insurance Certificate	Not Listed	Not Listed	Yes
Performance Bond	No	No	No
Payment Bond	No	No	No
Cat Exh Restriction	Tot. <27"	Add<6"	Add.<5.4"
NESHAP Compliant	Yes	Yes	Yes
Bid Guarantee	No	No	NO
Completion Time	122 days	112-126 Day Delivery	Not Listed
Warranty	1 Year	26 Months	Limited Warranty
Insulate DOC	Yes	Yes	Yes
Payment Terms	1/2-1/2	25% Down-65%-10%	Monthly
Sales Tax	All	No	Material
Remove CC Vent Lines	No	No	No
P & T Monitoring System	1/Engine	1/Engine	1/Engine
Emissions Tests	Yes	Yes	Yes
Training	Yes	Not Listed	Yes
EPA Test Report	Yes	Yes	Yes
O&M Manuals	2	1/Engine	Not Listed
References	Not Listed	36	Not Listed

COMMENTS ON  
COMPARISON OF PROPOSALS  
For  
DIESEL ENGINE EMISSIONS CONTROLS  
MOUNTAIN LAKE, MN  
January, 2016

An outline of the Proposals from 3 different Bidders is attached. For either doing work on just the two Caterpillar engines, or all 5 engines, Fairbanks-Morse (F-M) has the lowest bid, and is the preferred choice. It appears Mountain Lake wishes to go ahead with the two Caterpillars, now, and the other engines later. If this is Mountain Lake's decision pages 1-8 of the F-M Proposal can be used, as a Contract, with an Addendum to the Contract included. The Addendum will include items to clarify the work, and would be prepared by Utilities Plus and sent to F-M for their signature after award. Mountain Lake could then sign the original Proposal and returned Addendum. Comments on the three Proposals are as follows:

1. Ziegler offered a price only on the two Caterpillars. F-M offered three sets of prices, including one for the two Caterpillars alone, one price for the three OP's alone, and one price for all 5 engines together (Total \$12,134 lower, when all 5 done together). The lower price is offered for all 5, because only one mobilization would be needed rather than 2. The lower price would not be available if 2 engines are done now and 3 later. Midstates Erectors offered prices for the 2 Caterpillars, and a separate price for the 3 OP's, but did not offer a lower combined price. The Addendum would clarify that only the proposal for the 2 Caterpillars is being accepted.

2. The EPA requires all Caterpillars to have closed crankcase vents. All three Bidders included in their price converting the open crankcase vents to closed crankcase vents.

3. If 2 of the OP's already have closed crankcase vents, only the remaining 1 would be required to change to a closed crankcase vent. Ziegler did not address this, while the other 2 Contractors included this in their price.

4. Insurance Certificates for their workers at the site would be provided by Midstates Erectors. The other 2 Bidders did not offer this.

5. No Bidder offered a Performance Bond nor Payment Bond

6. Ziegler says the pressure drop across their entire exhaust system, including new Diesel Engine Catalyst (DOC), exhaust pipe and exhaust silencer will not exceed 27" water column, so this appears to be the maximum allowable by the Original Equipment Manufacturer, since Ziegler markets Caterpillars. Midstates states a maximum DOC pressure drop of 4", and F-M maximum of 6". The only way that the current system pressure drop could be determined would be by measuring it. It should be no problem, but to be safe, the Addendum should include language that the revised system will have no more total system pressure loss (probably 27", but not included in Addendum) than that recommended by the OEM.

7. All three Bidders guarantee that the engines become NESHAP compliant (National Emission Standard for Hazardous Air Pollutants. EPA requires that emissions of CO be reduced by 70% or to 23 ppm (parts per million). For the engines we have done work on emissions controls in the past, most have passed. Two had to have new catalysts to pass. F-M guarantees that the emissions standards will be met.

8. No Bidder offered a bid guarantee. The F-M proposal and Midstates proposals are both dated December 23, 2015, and the proposals both state that they are good for 30 days. Ziegler does not provide a proposal expiration date.

9. Ziegler said that if the contract was signed by the end of December They would be done by May1, or a 122 day completion. Midstates did not list a completion time. F-M stated a delivery of 112-

126 days. When the Addendum goes out, we should ask F-M to include a completion time, which they should be willing to provide, since no penalties would be involved.

10. Ziegler offers and 1 year warranty and F-M 26 month warranty on workmanship and materials. Midstates offers an undefined limited warranty.

11. All three Bidders offer to install insulating blankets around the 2 DOC's.

12. For payments, Ziegler asks for ½ the contract price upon equipment installation and ½ after successful testing. Midstates asks for monthly payments. F-M asks for 25% down, 65% upon completion of installation, and 10% upon submittal of EPA test Report to Customer. The F-M payment should be changed, in the Addendum to 10% upon submittal of successful EPA Test Report, one copy to EPA and one copy to Customer.

13. The Ziegler price includes all applicable taxes. Midstates includes sales tax on material. The F-M price includes no sales tax.

14. The 2 Caterpillars each have a crankcase vent line from the engine to outside. None of the Bidders indicates whether these are to be removed, as part of the closed crankcase vent system, where the crankcase fumes are vented back into the engine. As part of the Addendum, a statement should be made that F-M will remove each of the existing crankcase vent lines, and plug weathertight the wall opening for each vent line.

15. Each bidder would provide a monitor, to be mounted near the engine, to monitor pertinent data from the exhaust emissions, with one monitor for each engine.

16. Each Bidder will provide emissions tests, to measure meeting EPA requirements.

17. Both Ziegler and Midstates offer training, for reading the monitor, recording emissions data, maintaining the catalysts and reporting to EPA. F-m does not mention training. The Addendum should include language that F-M will provide training.

18. All three Bidders offer to compile an EPA Test Report. As noted above, the Addendum will ask F-M to submit one copy to the EPA and one to Mountain Lake.

19. Midstates Erectors does not mention Operation and Maintenance manuals for the DOC's and monitors. Both Ziegler and F-M include these in their bids.

20. F-M includes 36 different reference sites with their proposal. Although Ziegler and Midstates did not include reference sites, they are both very experienced in the area of emissions controls, and would provide references if required.

21. On Page 5 of their proposal, under "Erection and Test" F-M says that under certain circumstances, F-M's engineer would be an agent of Mountain Lake. This would be if the project was suspended by something F-M could not control, then they would be entitled to get more money for extra trips by the engineer, and possibly taking off their crew and returning it. This seems to be unlikely, but it is suggested that Mountain Lake's legal counsel advise whether the Addendum should attempt to take this out.

22. On page 7 of the F-M proposal. F-M wants the agreement to be governed by and interpreted under the laws of North Carolina. It appears that this should not be a problem, but it is suggested that Mountain Lake's legal counsel advise whether this needs to be changed.

23. The Addendum should include a pre-construction conference at the job site between Mountain Lake, Mountain Lake's Engineer (Utilities Plus), and F-M.

24. The Addendum should include a submittal of how F-M proposes to support the DOC's, such support to be reviewed by Mountain Lake's Engineer.

25. The Addendum should request F-M submit shop drawings on the DOC's, monitors, and closed crankcase vent equipment.

26. The Addendum should ask F-M to provide the names of their mechanical contractor, electrical contractor and testing contractor.

**Resolution #3-16**

**City of Mountain Lake, Minnesota**

**Resolution Approving A Consent to the Levy;  
Economic Development Authority of the  
City of Mountain Lake for Mason Manor Apartments**

**WHEREAS**, on October 6, 2009 a Levy Agreement was entered into between the Economic Development Authority and the City of Mountain Lake, Minnesota to assist the Authority with the construction of a four unit Multi-Housing Development Project called Mason Manor Apartments; and

**WHEREAS**, as a part of the Levy Agreement it is necessary that the City annually consider a Consent to Levy, the proceeds of which would be used by the Authority to pay principal and interest due on the bonds financing the housing development project; and

**WHEREAS**, as required by the Levy Agreement, the Authority submitted a 2016 budget to the City that which sets forth the amount of the levy as authorized by Minnesota Statutes, Section 469.033, Subd 6. The levy in the Authority's Budget for 2016 is based on that dollar amount.

**IT IS HEREBY RESOLVED** by the City Council of the City of Mountain Lake that the levy requested by the Authority is an adequate amount and approval is granted to Consent to the Levy

**This Resolution is hereby approved on this 19<sup>th</sup> day of January, 2016.**

\_\_\_\_\_  
Mike Nelson, Mayor

**ATTEST:**

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

City of Mt. Lake Bonded Indebtedness as of 12/31/15

Title	Purpose	Issued	Balance as of 12/31/14	2015 Principal Payment	Balance as of 12/31/15	Type
2009A Refunding GO Bonds	Formerly 2002 GO Imp. (Jennie's) (last payment 2021) (39% street, 4% storm, 49% sewer, 8% water)	\$670,000.00	\$415,000.00	\$55,000.00	\$360,000.00	6 & 13
2007C GO Improvement bonds	Lakeview Estates (last payment 2020) (44% street)	\$455,000.00	\$290,000.00	\$290,000.00	\$0.00	8
2001 GO Sewer Revenue Bonds	SE Sewer Project (2030)	\$570,000.00	\$406,000.00	\$406,000.00	\$0.00	9
2015A GO Refunding Bonds	was 2009A (Jennie's, last payment 2021), 2007C (Lakeview, last payment 2020) and 2001 GO (SE Sewer, last payment 2029)	\$885,000.00	\$0.00	\$0.00	\$885,000.00	6 & 13
2009B Electric Revenue Bonds	Feeder #8 Upgrade (last payment 2024)	\$550,000.00	\$410,000.00	\$410,000.00	\$0.00	10
2015B Electric Refunding Bonds	was 2009B Electric Refunding Bonds (Feeder #8, last payment 2024)	\$391,000.00	\$0.00	\$0.00	\$391,000.00	10 & 13
2011A Crossover Refunding Bonds	Street and Storm Sewer portion of 2006 St. & Ut. Project; replaces 2006 GO Corp. Purpose (67% street, 33% storm) (last payment 2022)	\$845,000.00	\$760,000.00	\$85,000.00	\$675,000.00	8 & 13
2011A Crossover Refunding Bonds	Water and Sewer portion of 2006 St. & Util Project, places 2006 GO Corp. Purpose (50% water, 50% sewer) (last payment 2022)	\$370,000.00	\$335,000.00	\$40,000.00	\$295,000.00	9 & 13
Series 2013A GO Bonds	2012-14 Util & St. Project (Street/Storm Sewer portion) (last payment 2035)	\$2,180,000.00	\$2,180,000.00	\$90,000.00	\$2,090,000.00	8
Series 2013A GO Bonds	2012-14 Util & St. Project (Water portion) (last payment 2035)	\$2,060,000.00	\$1,975,000.00	\$85,000.00	\$1,890,000.00	10
Electric Refund 2012C	was 2007A Electric Refunding Bonds (last payment 2023)	\$845,000.00	\$535,000.00	\$55,000.00	\$480,000.00	9 & 13
2007B Clean Renewable Energy (Revenue) Bonds	Wind Turbine Project (last payment 2023)	\$2,060,000.00	\$1,158,750.00	\$128,750.00	\$1,030,000.00	10
2008 Public Purpose Refunding Revenue Bonds	was 1999 EDA Public Project Revenue Bond (City Hall) (last payment 2018)	\$555,000.00	\$235,000.00	\$65,000.00	\$170,000.00	10 & 13
Series 2012A GO Housing Revenue Ref. Bonds	was 1998 Essential Function Housing Development Bond 4 PLEX (last payment 2026)	\$190,000.00	\$165,000.00	\$10,000.00	\$155,000.00	10 & 13
Series 2012A GO Housing Revenue Ref. Bonds	was 2001 Essential Function (last payment 2026) Housing Development Bond 8 PLEX	\$430,000.00	\$395,000.00	\$20,000.00	\$375,000.00	10 & 13
Essential Function Housing Dev. Revenue Bond of 2009	Mason Manor (last payment 2040)	\$254,700.00	\$236,292.34	\$4,954.55	\$231,337.79	10
TIF Bonds 2012B	The Lodge/Good Samaritan (last payment 2039)	\$830,000.00	\$830,000.00	\$20,000.00	\$810,000.00	7
Series 2013B GO TIF Bonds	Pop'd Kerns Project (last payment 2029)	\$1,310,000.00	\$1,310,000.00	\$0.00	\$1,310,000.00	7
Series 2014A GO TIF Bonds	Mt. Power TIF (last payment 2029)	\$2,040,000.00	\$2,040,000.00	\$0.00	\$2,040,000.00	7
<b>TOTAL BONDS</b>		<b>\$17,290,700.00</b>	<b>\$13,676,042.34</b>	<b>\$1,764,704.55</b>	<b>\$13,187,337.79</b>	

W 8

City of Mt. Lake Bonded Indebtedness as of 12/31/15

NOTES							
MN PFA (GO Revenue Note)	Water Treatment Plant (last payment 2023)	\$2,885,000.00	\$1,456,000.00	\$153,000.00	\$1,303,000.00		15
MN PFA (GO Revenue Note) 2012	Sewer Infrastructure (last payment 2032)	\$7,754,480.00	\$7,097,000.00	\$362,000.00	\$6,735,000.00		15
MN PFA (GO Revenue Note) 2012	Water Infrastructure (last payment 2032)	\$38,440.00	\$35,560.00	\$2,000.00	\$33,560.00		15
USDA Note Payable 2012	Library Roof	\$70,000.00	\$62,614.99	\$3,887.48	\$58,727.51		15
USDA Note Payable 2014	Fire Truck	\$32,000.00	\$32,000.00	\$5,909.00	\$26,091.00		15
MN PFA (GO Revenue Note) 2014	Well #7	\$47,444.00	\$47,444.00	\$1,444.00	\$46,000.00		15
<b>TOTAL NOTES</b>		<b>\$10,827,364.00</b>	<b>\$8,730,618.99</b>	<b>\$528,240.48</b>	<b>\$8,202,378.51</b>		
<b>TOTALS</b>		<b>\$28,118,064.00</b>	<b>\$22,406,661.33</b>	<b>\$2,292,945.03</b>	<b>\$21,389,716.30</b>		

**CITY OF MOUNTAIN LAKE  
Fund Balances**

Account Descr	Current Balance	
<b>Fund 101 GENERAL FUND</b>		
G 101-10100 Cash	\$748,071.79	
G 101-10150 Savings	\$79,764.57	
G 101-10152 Savings - Special	\$643,491.31	<i>354688.59 - Gen 68970.99 - PD 219831.71 - st includes (30859 small cities assist)</i>
G 101-10400 Investments at Cost	\$0.00	
G 101-10403 Investments-Northland	\$469,438.40	
<b>Fund 101 GENERAL FUND</b>	<u>\$1,940,766.07</u>	
<b>Fund 202 2014 SMALL CITIES DEVELOP PROG</b>		
G 202-10100 Cash	-\$40,576.15	
G 202-10150 Savings	\$0.00	
<b>Fund 202 2014 SMALL CITIES DEVELOP PR</b>	<u>-\$40,576.15</u>	
<b>Fund 205 ECONOMIC DEVELOPMENT AUTHORITY</b>		
G 205-10100 Cash	\$1,480.34	
G 205-10150 Savings	\$0.00	
G 205-10152 Savings - Special	\$23,706.37	
G 205-10400 Investments at Cost	\$0.00	
<b>Fund 205 ECONOMIC DEVELOPMENT AUTH</b>	<u>\$25,186.71</u>	
<b>Fund 211 LIBRARY FUND</b>		
G 211-10100 Cash	\$89,852.27	
G 211-10150 Savings	\$565.08	
G 211-10152 Savings - Special	\$60,427.91	
G 211-10400 Investments at Cost	\$0.00	
<b>Fund 211 LIBRARY FUND</b>	<u>\$150,845.26</u>	
<b>Fund 221 FIRE DEPT FUND</b>		
G 221-10100 Cash	\$117,521.17	
G 221-10152 Savings - Special	\$130,045.37	
G 221-10400 Investments at Cost	\$17,128.61	
<b>Fund 221 FIRE DEPT FUND</b>	<u>\$264,695.15</u>	
<b>Fund 230 REVOLVING LOAN FUND</b>		
G 230-10100 Cash	\$33,037.39	
G 230-10150 Savings	\$116,472.31	
G 230-10152 Savings - Special	\$428.92	
G 230-10400 Investments at Cost	\$0.00	
<b>Fund 230 REVOLVING LOAN FUND</b>	<u>\$149,938.62</u>	
<b>Fund 231 AMBULANCE FUND</b>		
G 231-10100 Cash	\$142,037.28	
G 231-10150 Savings	\$203.86	
G 231-10152 Savings - Special	\$133,214.55	
G 231-10400 Investments at Cost	\$0.00	
<b>Fund 231 AMBULANCE FUND</b>	<u>\$275,455.69</u>	
<b>Fund 235 SW HOUSING GRANT</b>		
G 235-10100 Cash	\$16,871.42	
G 235-10152 Savings - Special	\$0.00	
<b>Fund 235 SW HOUSING GRANT</b>	<u>\$16,871.42</u>	
<b>Fund 240 PROTIENT--DTED LOAN</b>		
G 240-10100 Cash	\$31,722.87	
G 240-10152 Savings - Special	\$14,129.73	

40

Account Descr	Current Balance
Fund 240 PROTIENT--DTED LOAN	\$45,852.60
Fund 280 MSC-DEED LOAN	
G 280-10100 Cash	\$27,842.40
G 280-10152 Savings - Special	\$193,071.73
Fund 280 MSC-DEED LOAN	\$220,914.13
Fund 303 TIF #1-5 POPD KERNS	
G 303-10100 Cash	\$150,829.09
G 303-10400 Investments at Cost	\$0.00
Fund 303 TIF #1-5 POPD KERNS	\$150,829.09
Fund 306 2006 ST PROJ-DEBT SERVICE	
G 306-10100 Cash	\$0.00
G 306-10152 Savings - Special	\$0.00
G 306-10403 Investments-Northland	\$0.00
Fund 306 2006 ST PROJ-DEBT SERVICE	\$0.00
Fund 307 LAKEVIEW ESTATES-2007-2015A	
G 307-10100 Cash	\$23,210.78
G 307-10152 Savings - Special	\$0.00
G 307-10400 Investments at Cost	\$0.00
G 307-10403 Investments-Northland	-\$0.54
Fund 307 LAKEVIEW ESTATES-2007-2015A	\$23,210.24
Fund 308 2011 BOND REFUND-06 ST PROJ	
G 308-10100 Cash	\$105,549.63
G 308-10403 Investments-Northland	\$0.00
Fund 308 2011 BOND REFUND-06 ST PROJ	\$105,549.63
Fund 312 CITY WIDE PROJ-DEBT SERV	
G 312-10100 Cash	\$165,957.67
Fund 312 CITY WIDE PROJ-DEBT SERV	\$165,957.67
Fund 315 TIF #1-7 MSG	
G 315-10100 Cash	\$0.00
Fund 315 TIF #1-7 MSG	\$0.00
Fund 320 EDA - CITY HALL FUND	
G 320-10100 Cash	-\$6,723.78
Fund 320 EDA - CITY HALL FUND	-\$6,723.78
Fund 332 2002 STREET IMPROV	
G 332-10100 Cash	\$1,593.09
G 332-10403 Investments-Northland	\$36,867.04
Fund 332 2002 STREET IMPROV	\$38,460.13
Fund 341 T.I.F.# 1-6 MT POWER	
G 341-10100 Cash	\$233,282.27
Fund 341 T.I.F.# 1-6 MT POWER	\$233,282.27
Fund 342 T.I.F. #1-4 GOOD SAM	
G 342-10100 Cash	\$51,614.14
G 342-10152 Savings - Special	\$0.00
G 342-10400 Investments at Cost	\$0.00
Fund 342 T.I.F. #1-4 GOOD SAM	\$51,614.14
Fund 360 T.I.F. #1-3 PINEBROOK	

Account Descr	Current Balance
G 360-10100 Cash	\$5,992.36
Fund 360 T.I.F. #1-3 PINEBROOK	\$5,992.36
Fund 403 POPD KERNS CONST ACCT	
G 403-10100 Cash	\$0.04
Fund 403 POPD KERNS CONST ACCT	\$0.04
Fund 412 2012 CITY WIDE PROJECT	
G 412-10100 Cash	-\$460.63
G 412-10152 Savings - Special	\$361,682.62
Fund 412 2012 CITY WIDE PROJECT	\$361,221.99
Fund 415 MSG CONST ACCT	
G 415-10100 Cash	-\$11,575.00
Fund 415 MSG CONST ACCT	-\$11,575.00
Fund 441 MT POWER CONST ACCT	
G 441-10100 Cash	\$49,120.06
Fund 441 MT POWER CONST ACCT	\$49,120.06
Fund 450 DOWNTOWN-ROSS PROJECT	
G 450-10100 Cash	-\$109,874.19
Fund 450 DOWNTOWN-ROSS PROJECT	-\$109,874.19
Fund 470 T.I.F. #1 HOSPITAL PROJECT FND	
G 470-10100 Cash	\$15,876.93
Fund 470 T.I.F. #1 HOSPITAL PROJECT FN	\$15,876.93
Fund 501 CAPITAL OUTLAY REVOLVING FUND	
G 501-10100 Cash	\$102,438.17
G 501-10152 Savings - Special	\$197,509.33
G 501-10400 Investments at Cost	\$0.00
Fund 501 CAPITAL OUTLAY REVOLVING FU	\$299,947.50
Fund 507 LAKE COMMISSION FUND	
G 507-10100 Cash	\$16,215.61
G 507-10151 Savings - Alum Cans	\$0.00
G 507-10152 Savings - Special	\$0.00
G 507-10400 Investments at Cost	\$0.00
Fund 507 LAKE COMMISSION FUND	\$16,215.61
Fund 607 EDA----4 PLEX FUND	
G 607-10100 Cash	\$24,831.76
G 607-10152 Savings - Special	\$0.00
Fund 607 EDA----4 PLEX FUND	\$24,831.76
Fund 608 EDA----8 PLEX FUND	
G 608-10100 Cash	\$44,706.56
G 608-10152 Savings - Special	\$0.00
Fund 608 EDA----8 PLEX FUND	\$44,706.56
Fund 609 EDA-- MASON MANOR	
G 609-10100 Cash	\$22,213.10
G 609-10152 Savings - Special	\$0.00
Fund 609 EDA-- MASON MANOR	\$22,213.10

42

Account Descr

Current  
Balance

\$4,530,805.61

43

**RELEVANT LINKS:**

Minn. Stat. § 475.51, subd. 3.

See Section X *Participants in a bond sale.*



Minn. Stat. § 475.51, subd. 10.

Chapter 475 defines the term “obligation” as “any promise to pay a stated amount of money at a fixed future date or upon demand of the obligee, regardless of the source of funds to be used for its payment, made for the purpose of incurring debt, . . . *for which funds are not appropriated in the current year’s budget.*” (emphasis added). The clause in italics is the key concept: by issuing an “obligation,” the city is committing to pay money in a future year—which in effect trumps the often-stated (but not entirely accurate) principle that a sitting city council may not bind a future council. It can, and does, every time it issues a bond.

In effect, an obligation is a contract between the city and the bond owner: the bond owner agrees to purchase the bond, and the city agrees to repay the owner over time, subject to various terms and conditions. The details in these contracts vary widely. Bonds can be classified in various ways, such as by: the source of payment (often referred to as the “security”), what type of facility will be financed from proceeds of the bonds (often referred to as the “purpose” of the bonds), and what entity will own the facility financed from the bonds (i.e., who is the “user” of the bond proceeds).

The process of issuing bonds is complex and requires assistance from attorneys, known as “bond counsel,” and (in most cases) from businesses that specialize in public finance, known as “financial advisors.” City staff should consult these parties for more detailed information about both legal and non-legal aspects of issuing bonds.

## II. Bonds by type of security

### A. General obligation bonds

The most common type of bonds issued by cities are “general obligations,” which are defined in Chapter 475 as “obligations which pledge the full faith and credit of the municipality to their payment.” (Note that Chapter 475 also broadly defines “municipality” to include counties, towns, and school districts; but this chapter will of course focus just on cities).

The pledge of “full faith and credit” means that the issuing city must use any assets it owns to pay the bonds—including use of its power of ad valorem tax levy. In effect, when a city issues a general obligation bond, it is promising to levy a tax in the amount needed to pay principal and interest on the bonds for their entire term. That tax levy is unlimited by any statute, and is not affected by any other tax the city may already impose.

Therefore, when investors purchase a general obligation bond, they are relying upon the general financial condition of the city and, indirectly, upon the condition of the city’s residents and businesses, which may be required to pay an additional property tax.

44

**RELEVANT LINKS:**



This type of bond is, by far, the most secure—the type most likely to be repaid in full—and therefore carries the lowest interest rates. (In public finance as well as private, higher risk generally means higher interest rates; lower risk, lower rates). Therefore, general obligation bonds are usually the most inexpensive method for cities to finance their capital needs.

Because general obligation bonds bind the city in a significant way, for many years to come, statutes impose more rules and restrictions on these type of bonds than most other types. These rules will be discussed in detail throughout this chapter.

## **B. Revenue bonds**

Revenue bonds are obligations for which the issuing city promises to pay principal and interest only from a specific revenue source. If the revenues are not sufficient to pay debt service, the city has no obligation to levy a tax or otherwise make a payment—bond holders simply get paid less (which may or may not trigger a “default” in the bonds). Obviously, revenue bonds are less secure than general obligation bonds, as the likelihood of repayment depends on the long-term strength of the revenue stream pledged to the bonds. As a result, interest rates on this type of bond are higher (to compensate the investor for increased risk).

Strictly speaking, Chapter 475 does not define “revenue bonds.” In most cases, if the city does *not* pledge its full faith and credit, the bond is a revenue bond (though occasionally bonds may be secured by a limited tax pledge that is something less than a true “general obligation.”) Further, certain revenue bonds are authorized by other statutes altogether. The three most common types of revenue bonds issued by cities are:

- Bonds issued to finance “revenue producing conveniences,” which are public enterprises that produce their own revenue, such as electric utilities, municipal liquor stores, and municipal golf courses and ice arenas.
- So-called “conduit bonds” issued to finance various private health care, housing, and manufacturing facilities.
- Tax increment financing (“TIF”) bonds, when they are payable solely by the tax increment generated from one or more tax increment financing districts.

Development authorities (such as housing and redevelopment authorities, economic development authorities, and port authorities) are authorized in their separate governing statutes to issue revenue bonds in order to carry out their missions. For the most part, these bonds are not governed by Chapter 475 at all.

Minn. Stat. § 475.51, subd. 4(3).

See Section IV-A *Conduit bonds*.

See Part VII-E *Tax anticipation certificates*.  
See Section VII-F *Lease-purchase financings*.

RELEVANT LINKS:



Minn. Stat. § 444.075, subd. 2.  
Minn. Stat. § 115.46.

Minn. Stat. ch. 429.  
See LMC information memo, *Special Assessment Toolkit*.  
Minn. Stat. § 469.178, subd. 2.

Minn. Stat. §§ 447.45 to 447.50.

Minn. Stat. § 475.52, subd. 1.

See Section VII-D *Certificates to make up revenue reductions*.  
See Section VII-E *Tax anticipation certificates*.

However, the principles are the same as revenue bonds issued by a city—the bonds are secured solely by the specific revenues pledged to the bonds.

### C. General obligation revenue bonds

This type of bond is actually just a sub-species of general obligation bond. These are issued when a statute authorizes a city to pledge a specific revenue source and, in addition, pledge the city's full faith and credit. In most cases, the pledged revenues are expected to pay all (or some designated portion) of the debt service on the bonds, but the full faith and credit pledge means that the city must cover any shortfalls with an ad valorem tax levy.

Bond investors view these hybrid bonds as simply general obligations of the city—the investor looks primarily at the underlying financial strength of the issuing city, and does not rely on the strength of the expected revenue stream. As a result, these type of bonds carry essentially the same interest rates as general obligations that have no additional revenue pledge.

General obligation revenue bonds are probably the most common type of bonds issued by Minnesota cities. The most prominent examples are:

- Bonds used to finance water, sewer, and storm sewer improvements, where the utility revenues are (in most cases) expected to pay debt service.
- Bonds used to finance public improvements that are specially assessed, without voter approval, where special assessments are expected to pay at least 20 percent of the city's cost to build the project.
- TIF bonds, without voter approval, where tax increments are expected to pay at least 20 percent of the debt service on the bonds.
- Bonds issued to finance municipal hospitals and nursing homes (with voter approval).

### III. Bonds by purpose

The general rule under Chapter 475 is that cities “may issue bonds to provide money for any authorized corporate purpose, except current expenses.” (Expenses *can* be bond-financed under limited exceptions for short-term borrowing). However, the rules for different bond purposes are specified in more detail in other sections scattered throughout Minnesota Statutes.

Bonds are frequently classified by the use to which proceeds are put. The use is normally evident in the name of the bond, which also (usually) describes the type of security, discussed above. Following are the most common types of bonds issued by Minnesota cities, grouped by purpose:



**RELEVANT LINKS:**

Minn. Stat. ch. 429.

Minn. Stat. § 444.075.

Minn. Stat. § 475.521.

Minn. Stat. § 475.58, subd. 3b.

Minn. Stat. § 412.301.

Minn. Stat. ch. 475.

Minn. Stat. ch. 475.

Minn. Stat. ch. 475. Minn. Stat. § 453.55.

Minn. Stat. ch. 475. Minn. Stat. § 469.178.

Minn. Stat., ch. 475. Minn. Stat. §§ 469.1813 to 1815.

- *General obligation improvement bonds*: finance any public improvement that may be specially assessed under Chapter 429; the most common include roads, water improvements, and sewer improvements.
- *General obligation utility revenue bonds*: finance water, sewer, or storm sewer improvements where the bonds are paid primarily from utility system revenues. (The bonds may be named for the specific type of utility being financed—e.g., sewer revenue bonds).
- *General obligation capital improvement bonds*: finance city halls and other specified public facilities (but not roads and utilities).
- *General obligation street reconstruction bonds*: finance street reconstruction (but not construction of new or expanded streets with limited exceptions).
- *Equipment certificates of indebtedness or capital notes*: finance capital equipment. (The terms “certificates” and “notes” are common in public finance for short-term obligations such as these; they have a maximum term of 10 years).
- *General obligation park and recreation bonds*: finance municipal park and recreation facilities.
- *General obligation (building) bond*: finance various types of public buildings (usually ones that do not qualify as “capital improvements” for financing with capital improvement bonds referenced above). Bonds are often named for the specific type of building, e.g., general obligation community center bonds.
- *Electric utility revenue bonds*: finance improvements to a municipal electric utility; in most cases, the utility is governed by a public utilities commission, separate from the city council, but the bonds are issued by the city, or by cities acting jointly as a “municipal power agency.”
- *General obligation tax increment bonds, and tax increment revenue bonds*: finance various public and private improvements that promote economic development or redevelopment, and are eligible for financing under the Tax Increment Financing Act.
- *General obligation abatement bonds*: finance various public and private improvements; usually part of economic development programs, but may also finance public infrastructure in any context.

This list is not exhaustive, but summarizes the bonds that most cities issue in the normal course of business.

47

**RELEVANT LINKS:**

See Section VIII-B  
*Governmental versus private activity.*

Minn. Stat. §§ 469.152 to 469.1651.  
Minn. Stat. ch. 462C.

See Section X *Participants in a bond sale.*

Note that bond investors have very little interest in how the proceeds are used, if the bonds are general obligations. Therefore, the classification by use of proceeds is mostly relevant from a standpoint of city policy and financial management.

## **IV. Bonds by user**

The most commonly-issued bonds represent borrowing by a city to finance public assets—the city itself is the “user” of the proceeds. But Minnesota law authorizes cities to issue bonds where the proceeds are actually used by private parties. These bonds are referred to in most cases as “private activity bonds”—a name derived from federal tax law. Private activity bonds fall into two major categories, discussed in turn below.

### **A. Conduit bonds**

Unlike almost all other bonds, “conduit bonds” are initiated by and issued for the benefit of private entities. Under the state statutes that authorize these bonds, the city issues the bonds and loans the proceeds to the private entity. That private entity repays the loan in an amount sufficient to pay principal and interest on the bonds. As a practical matter, the loan is (normally) handled entirely by a separate bond trustee (usually the trust division of a bank). After the bonds are issued, the city has almost no role in payment or administration of the bonds.

The bonds are revenue bonds—the city does not pay debt service or any other cost related to the transaction. As such, the bonds have no effect on the issuing city’s credit rating and are not counted against any statutory limitations on borrowing. When the bonds are sold, investors look only to the credit of the private borrower (and any related private security, such as mortgages and guarantees). While the city council must approve issuance of the bonds and all the bond documents, the transaction is largely handled by the private borrower and the underwriter that usually serves as the initial purchaser of the bonds. The bond counsel for conduit bonds may be the city’s regular bond counsel, or may be retained by the private entity (this is a matter of city policy and practice).

The types of private activity bonds are governed primarily by federal tax law. Congress in effect created this kind of bond to provide tax-exempt (and therefore lower cost) borrowing to certain favored activities carried out by private entities.

Much of today’s tax law regarding these bonds originated with the Tax Reform Act of 1986, which sharply narrowed the scope of permissible private activity bonds (previously known as “industrial development revenue bonds” or “IDR bonds”).

48

RELEVANT LINKS:



Minn. Stat., § 469.178.  
Minn. Stat. § 469.1814.

See Handbook chapter 15.

The three most common conduit bonds in Minnesota are:

- *Qualified 501(c)(3) bonds*, where the user of bond proceeds is a nonprofit 501(c)(3) entity. Typical examples include nonprofits that own nursing homes, hospitals, senior and other affordable housing, and schools (from K-12 to college). But any nonprofit with 501(c)(3) status is eligible for this type of financing, so bonds have been issued for entities as diverse as the YMCA to Minnesota Public Radio.
- *Housing revenue bonds (exempt facilities)*, where the user of bond proceeds is a private for-profit entity that builds housing intended for occupancy by persons or families who meet specified low-income guidelines.
- *Small issue manufacturing bonds*, where the user of the proceeds is a manufacturing business that constructs manufacturing facilities that meet certain federal requirements.

There are other less common conduit bonds that cities may occasionally encounter, but the three listed above represent the bulk of this bond type.

## B. Tax increment and abatement private activity bonds

The other category of common private activity bonds are those issued in the context of economic development and redevelopment. Cities may issue bonds secured by tax increments (all the increased taxes in a TIF district or portion thereof) or abatements (the taxes imposed by a participating taxing jurisdiction, usually just the issuing city).

The city *may* be the “user” of these bonds, for example, when proceeds finance public streets or other public infrastructure needed for a private development project. But bond proceeds may be delivered to a private developer to finance aspects of the private development permitted under law—such as land acquisition, excavation, and other eligible private improvements. In those cases, the private developer becomes the “user.”

In most cases, where the private developer is the user, the issuing city will also require the developer to provide additional security, such as an agreement to maintain a minimum value, or a guarantee to cover debt service if tax increments or abatements fall short of expectations. The result is that these bonds are treated as “private activity bonds,” and must be issued as taxable bonds.

By contrast, conduit bonds are tax exempt despite the fact that they are issued for the benefit of, and secured by, a private entity—but only because the private entity accomplishes some public purpose identified by Congress in federal tax law.

49

**RELEVANT LINKS:**

See Section VII-B  
*Temporary bonds.*

Minn. Stat. ch. 475.



Minn. Stat. § 475.53.

Minn. Stat. § 475.51, subd.  
4.

Minn. Stat. § 475.521, subd.  
4.

See Section IV *Bonds by  
user.*

It is possible for tax increment or abatement bonds to be used entirely by a private developer, but without the developer providing any “backstop” to pay debt service if those revenues fall short. In those cases, the bonds are not considered to be “private activity” bonds despite clearly having a private user. This is possible because federal tax law actually allows tax-exempt bonds to be issued for private users, as long as the private user does not also *secure* payment of the bonds. Cities only occasionally issue such “private use but no private security” bonds, when the lower cost of tax-exempt bonds and large public benefit from the project is deemed worth the risk.

**V. Chapter 475—the “bond code”**

**A. General information**

The majority of bonds issued by Minnesota cities (most of them described in Sections II and III above) are governed by the comprehensive “bond code,” Minnesota Statutes, chapter 475. This section describes the key provisions of Chapter 475 in detail.

**B. Debt limit**

One of the most significant limitations in Chapter 475—at first glance—is the so-called “debt limit.” The general rule is that cities may not incur “net debt” in excess of 3 percent of the estimated market value of all taxable property in the city (the limit is 2 percent in first class cities unless a charter authorizes a higher rate, but even the charter rate is capped at 3-2/3 percent of market value).

However, the definition of “net debt” excludes from this limit all bonds for which some revenue is pledged, and even bonds that simply finance any “public convenience from which a revenue is or may be derived,” whether or not that revenue is technically pledged to the bonds. Therefore, the vast majority of bonds that cities issue are not subject to the so-called debt limit. This includes improvement bonds (secured in whole or in part by special assessments), utility general obligation revenue bonds (secured by utility revenues), and of course pure revenue bonds of all types.

In addition, other statutes may separately provide an exemption from the net debt limit in Chapter 475, even for bonds that are not secured partly by revenues.

For example, capital improvement bonds issued by cities with a population under 2,500 are exempt from the limit. The result is that only bonds secured solely by an ad valorem tax levy are subject to the 3 percent limit.

**RELEVANT LINKS:**



Minn. Stat. § 475.51, subd. 6.

See Section VIII *Federal Tax Law*.

Minn. Stat. ch. 118A.  
LMC information memo,  
*City Deposits and Investments*.

See Section VI *Refunding bonds*.

Minn. Stat. § 475.61, subd. 4.

Minn. Stat. ch. 118A.

## 1. Debt service fund

The most important is the debt service fund to which all monies (whether revenues or tax levies) that are pledged to the bonds are paid. Debt service funds must be kept separate from all other city funds and may not be invaded, even on a temporary basis, for other city needs.

Chapter 475 allows cities to establish a single common debt service fund for its general obligations, but in practice, most bond documents establish a separate fund for each bond issue, which is needed to ensure compliance with federal tax laws.

All money in the debt service fund (and any other funds created in the bond documents) must be invested in accordance with Chapter 118A. That is, debt service funds are subject to the same limitations as all city funds, except that money in a refunding escrow account is subject to more strict requirements. One permitted type of investment is bonds issued by any other city, or even the issuing city itself, if they are rated at least A for general obligations and AA for revenue obligations. However, as with all investments of money in a debt service fund, great care must be taken that the maturities and redemption features of all securities held in the fund ensure availability of money at the times needed to pay principal and interest on the bonds.

Generally, when all bonds of an issue have been paid in full, any balance of tax levies remaining in the debt service fund may be appropriated for any other general municipal purpose.

## 2. Construction fund

The other common account established in bond resolutions is a construction fund, where proceeds of the bonds are placed while the project to be financed by the bonds is under construction. As noted, these funds must also be invested in accordance with Chapter 118A, with care to ensure the availability of money to pay project costs as needed.

As with debt service funds, it is important to maintain a separate account for construction funds in each bond issue in order to track expenditures; this may be needed to ensure compliance with federal tax laws, and sometimes state laws that limit the uses of bond proceeds from a particular type of bond issue.

RELEVANT LINKS:



Minn. Stat. § 475.67, subd. 3(b).

Minn. Stat. § 475.67, subd. 3(d).

See Section V-II *Maturities*.

## VI. Refunding bonds

### A. General information

Refunding bonds are a special class of municipal bonds, commonly issued but not always well understood by city councils and the general public. Refunding bonds are the way a city refinances an initial bond issue, usually to obtain a lower interest rate when market conditions have changed (much like a homeowner refinances his or her mortgage when rates have dropped significantly).

It is not critical to understand all aspects of refunding bonds in general, as the city's bond counsel and financial advisors will help determine which tool is most appropriate in which circumstance. However, city attorneys, staff, and elected officials should be familiar with the terminology and at least the general concepts, as refunding bonds are a key aspect of financial management for most cities.

Under Chapter 475, refunding bonds may be issued where the transaction will accomplish at least one of these four purposes:

- Reduce debt service cost to the city (by far, the most common).
- Extend or adjust maturities in relation to the resources available for payment (such as where revenues are insufficient in the early years, but are expected to increase later).
- Shift from variable rate to fixed rate bonds.
- For pure revenue bonds, relieve the city from restrictions imposed by covenants in the bonds to be refunded.

In most cases, if one of those four requirements is met, the refunding bonds may be issued without repeating the procedures that applied to the initial bonds. For example, if bonds are initially approved by the voters, then refunding bonds may be issued without a new election. However, a city may not refund *revenue bonds* with *general obligations* unless such issuance is authorized by election or some other law or procedure that would have been required as a condition to issue the prior bonds as general obligations.

### B. Current versus advance refunding

As noted above, bonds are most often refunded when interest rates have dropped enough for the city to save money (after transaction costs) by issuing refunding bonds at lower rates.

RELEVANT LINKS:

Minn. Stat. § 475.67, subd. 4.

Minn. Stat. § 475.67, subd. 12.

Minn. Stat. § 475.67, subd. 5.

Minn. Stat. ch. 118A.

However, as explained above, most bonds contain covenants that prohibit redemption for some period of years after issuance; and in order to carry out a refunding, proceeds of the new bond issue must be used to redeem the prior one. The existing redemption rights of bondholders therefore affects how and when refunding bonds are issued.

Under Chapter 475, a *current refunding bond* is a series issued no more than six months before the first possible “call date” for the bonds to be refunded. However, federal tax law imposes a more strict 90-day deadline after the first call date, so all current refundings occur within that 90-day window.

An *advance refunding* is any refunding issued more than 90 days before the first call date. (Again, under Chapter 475, the deadline is actually six months, but federal tax law prevails as a matter of practice). Chapter 475 imposes certain additional conditions on issuance of an advance refunding bond, most significantly:

- The refunding must either extend the average maturities of the bonds by at least three years, or must result in a debt service savings of at least 3 percent.
- Proceeds of the refunding bond must be invested (until used to redeem the prior bonds) with a “suitable banking institution...whose deposits are insured by the Federal Deposit Insurance Corporation, and whose combined capital and surplus is not less than \$500,000.”
- Money in the “refunding escrow” must be invested in specified types of securities (more limited than the general rules under Chapter 118A).

The class of advance refunding bonds is further divided into two sub-types: gross or net refundings and crossover refundings. In a gross or net refunding, proceeds of the refunding bonds are invested in the refunding escrow until the first call date, at which time the accumulated funds in the escrow (with interest earnings) are applied to redeem the entire prior bond issue. In a crossover refunding, proceeds of the refunding bonds are used to pay debt service on the refunding bonds themselves until the first call date on the prior bonds. During that period, the prior bonds continue to be paid from the sources originally pledged to those bonds. On the call date, the accumulated funds in the refunding escrow are applied to redeem the outstanding prior bonds, and whatever revenues had been pledged to the prior bonds now “cross over” to secure the refunding bonds.

Crossover refundings are subject to slightly different rules than gross and net refundings, but the differences are not significant to policymakers. Perhaps the most important thing that policymakers should know about this topic is that any bond issue may be advance-refunded only once.

53

**RELEVANT LINKS:**

Therefore, the council should be satisfied that the interest savings in any proposed advance refunding justifies the one-time use of this tool.

## **VII. Miscellaneous other bond types**

### **A. General information**

Parts II through VI of this chapter have described the most common types of bonds issued by cities. However, cities sometimes encounter additional specialized types of bonds, including tools that at first glance would not even appear to be “bonds.” This section briefly discusses some (but not all) of these specialized types.

### **B. Temporary bonds**

Most bonds have terms of 10 to 30 years, both to reduce annual debt service costs and to share the cost of capital assets between present and future beneficiaries of those assets. However, there are several situations where cities find it useful to issue short-term bonds (maturing in no more than three years) as a temporary financing tool.

A relatively common example is a specially assessed improvement project where the city expects substantial prepayments of the assessments. If the city issued long-term bonds (with a call date 10 years in the future), a large amount of prepaid assessments might sit in the debt service fund until the call date, and interest earnings would (usually) be insufficient to match the debt service payments. Instead, the city might issue temporary improvement bonds, and when the amount of prepayments is known, refund those temporary bonds with long-term bonds in the amount that wasn't prepaid.

Another type of temporary bond is issued when a city has obtained approval of a grant or loan from a state or federal agency, but the funds will not be available until the project is completed. The city issues grant or loan anticipation bonds with a two- or three-year term, and those bonds are paid off when the grant or loan is funded.

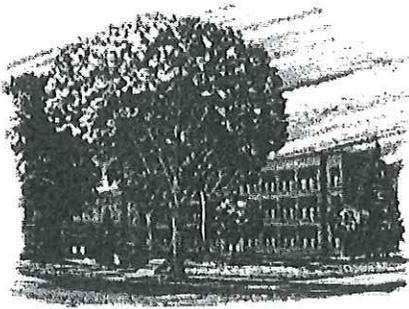
More generally, a city may issue temporary bonds in any situation where there is considerable uncertainty about the project being financed or the revenues available for payment. This may occur with tax increment financing projects, where other funds (such as land sale proceeds) may be available to reduce the long-term borrowing needs, but the amount of those funds is unknown at the outset.

Minn. Stat. § 429.091, subds. 5 and 7. Minn. Stat. § 475.61, subd. 6.

Minn. Stat. § 475.61, subd. 5.

Minn. Stat. § 475.61, subd. 6.

54



# Mountain Lake Public Schools

450 12<sup>th</sup> Street, P. O. Box 400

Mountain Lake, MN 56159

Phone: (507) 427-2325 / Fax: (507) 427-3047

January 7, 2016

To: City of Mountain Lake  
Wendy Meyer

From: Kim Naas – Business Manager

Re: 4<sup>th</sup> Quarter Billing

The Mountain Lake Public School would like to thank the City of Mountain Lake for being willing to contribute to the indoor pool located in our school. This billing is for the 4<sup>th</sup> Quarter of 2015.

Revenue Totals	\$ 1,326.30
Expenditure Totals	<u>\$ 10,279.60</u>
Net Loss	\$ 8,953.30

As per the Swimming Pool Agreement the Mountain Lake Public School and the City of Mountain Lake will share 50/50 of the swimming facility costs up to \$15,000.00/year for three years, ending in 2015 (due to another year extension). 50% of the 4<sup>th</sup> Quarter's facility costs would be \$4476.65. This amount is over the \$15,000.00 maximum allowed; therefore the amount owed for the 4<sup>th</sup> quarter is \$2,394.18. Once again I want to thank the City of Mountain Lake for this contribution. Your help allows our pool to stay open and meet the needs of those who live in and around Mountain Lake.

Please make check payable to: Independent School District #173  
450 12<sup>th</sup> Street  
PO Box 400  
Mountain Lake, MN 56159

If you should have any questions regarding this invoice please feel free to contact either Bill Strom at 427-2325 Ext. 105 or Kim Naas at 427-2325 Ext. 101. Both of us would be happy to answer any questions or supply additional information that you may need.

4th Quarter, 2015

	Oct	Nov	Dec	Total
<b>Revenues</b>				
40 Water Ex and Deep Water Ex Class	\$41.25			\$41.25
Pool Passes				\$0.00
Water Ex Coupon Book	\$240.00	\$195.00	\$195.00	\$630.00
Swimming Lessons		\$100.00		\$100.00
Zumba Classes				\$0.00
50 Open Swimming	\$77.50	\$75.00		\$152.50
School Use - ECSE/Phy Ed Classes/Track/CC	\$76.00			\$76.00
Pool Party	\$100.00		\$50.00	\$150.00
Friends of Pool "free swim"				\$0.00
AM Swimming Coupon Book	\$25.00		\$25.00	\$50.00
AM Swimming	\$27.30		\$19.25	\$46.55
Annual Pool Passes				\$0.00
Healthways Reimbursement	\$42.50	\$25.00	\$12.50	\$80.00
96 Donation-				\$0.00
<b>Total</b>	<b>\$629.55</b>	<b>\$395.00</b>	<b>\$301.75</b>	<b>\$1,326.30</b>
City of Mountain Lake's 3rd Quarters payment	\$5,122.96	\$0.00	\$390.00	\$5,512.96
<b>Expenses</b>				
110 Pool Coordinator Salary	\$818.95	\$744.50	\$744.50	\$2,307.95
170 Custodian				\$0.00
185 Zumba class				\$0.00
186 Life Guards	\$1,274.74	\$1,260.25	\$1,454.24	\$3,989.23
210 FICA	\$114.31	\$111.62	\$106.38	\$332.31
214 PERA	\$109.02	\$104.28	\$102.14	\$315.44
218 TRA				\$0.00
220 Health Insurance				\$0.00
250 TSA Match				\$0.00
305 Contracted employee		\$391.50		\$391.50
350 Repairs	\$329.95			\$329.95
401 Supplies				\$0.00
Water Specialty of MN, Inc		\$1,587.23	\$806.95	\$2,394.18
Recreonics, Inc. - vacuum			\$219.04	\$219.04
KDOM - help wanted ad				\$0.00
820 Brown-Nicollet Comm. Health - license				\$0.00
<b>Total</b>	<b>\$2,646.97</b>	<b>\$4,199.38</b>	<b>\$3,433.25</b>	<b>\$10,279.60</b>
<b>Income/Loss</b>	<b>(\$2,017.42)</b>	<b>(\$3,804.38)</b>	<b>(\$3,131.50)</b>	<b>(\$8,953.30)</b>
Mountain Lake Public School Share	(\$6,559.12)			
Mountain Lake City Share	(\$2,394.18)			
<b>1st Quarter</b>	<b>\$5,842.64</b>			
<b>2nd Quarter</b>	<b>\$1,640.22</b>			
<b>3rd Quarter</b>	<b>\$5,122.96</b>			
<b>4th Quarter</b>	<b>\$2,394.18</b>			
	<b>\$15,000.00</b>			

56

**Seniority List for the City of Mt. Lake**  
1/1/16

<u>Date of Hire</u>	<u>Years of Service</u> <u>Last Anniversary</u>	<u>Name</u>	<u>Department</u>
06/27/84	31 years	Lynda Cowell	Utilities
09/11/89	26 years	Kevin Krahn	Water/Sewer Dept. Head
06/01/91	24 years	Rick Oeltjenbruns	Street Dept. Head
08/26/91	24 years	Dawn Fast	Deputy Clerk/Administrator
09/01/91	24 years	Carol Lehman	Library Director
03/04/96	19 years	David Watkins	Water/Sewer
12/15/97	18 years	Doug Bristol	Police Chief
04/17/00	15 years	Ronald Melson	Electric Dept. Head
12/19/00	15 years	Daron Friesen	Street Dept.
10/13/03	12 years	Steve Peters	Street Dept.
12/01/05	10 years	Wendy Meyer	Clerk/Administrator
01/03/06	9 years	Robert Anderson	Community Development
08/09/10	5 years	Patrick Oja	Lineperson
04/09/12	3 years	Emily Mathiowetz	Police Officer
8/10/15	0 years	William Pohlmann	Police Officer
11/30/15	0 years	Jacob Vitzthum	Police Officer
<b>Part-time</b>			
1/94	21 years	Sandra Schroder	Assistant Library Director
5/02	13 years	Marva Ott	EDA Assistant
3/06	9 years	Gloria Klassen	Library Aide
5/08	7 years	Rosie Dick	Library Assistant
6/1/09	6 years	Brian Lunz	Police Officer
4/6/10	5P years	Tera Hahle	Police Officer

**Contract**

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

Two Summer Employees

## 2011 – 2015 City of Mt. Lake Building, Shingling and Siding Permit Summary

2015 Building Permits	27 Permits, Value of \$227,170.75
2015 Shingling/Siding Permits	50 Permits
2014 Building Permits	29 Permits, Value of \$4,652,923.11
2014 Shingling/Siding Permits	50 Permits
2013 Building Permit	28 Permits, Value of \$1,192,830
2013 Shingling/Siding Permit	138 Permits
2012 Building Permits	47 Permits, Value of \$2,937,999
2012 Shingling/Siding Permits	38 Permits
2011 Building Permits	24 Permits, Value \$300,520
2011 Shingle/Siding Permits	60 Permits