

Mountain Lake City Council Meeting
Mountain Lake City Hall
Monday, October 3, 2016

Public Hearing
5:30 p.m.

Regular Meeting
6:30 PM

AGENDA

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

2. Public Hearing on Proposed Property Tax Abatements, New Industrial Park
 - a. Resolution #24-16 Approving Property Tax Abatements*(1-3)
 - b. Preliminary Bank Term Sheet*(4-7)
 - c. Project Calendar*(8)
 - d. Bond Summary*(9-13)
 - e. Purchase Agreement*(14-18)

3. Approval of Agenda and Consent Agenda
 - a. Approval of Bills: Check #'s 9919204 – 9919241, 453E*(19-23)
Payroll #'s 62717 - 62686
 - b. Approval of September 19 Council Minutes*(24-27)
 - c. Approval of September 8 Utilities Commission Minutes*(28)
 - d. Approval of August 16 Police Commission Minutes*(29)
 - e. Accept Resignation of Nathan Harder, Planning and Zoning
Commission*(30)

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

5. Final Reading and Adoption of Ordinance #10-16 Amending Section 2.13 Salaries of Mayor, Council Members, and Members of Boards and Commissions*(31)

6. Public Utilities
 - a. Attach Unpaid Utility Bill*(32)
 - b. Call for Substation Site Preparation and Grading Bids

7. Administrator
 - a. Set Date and Time for Canvassing Board*(33)
 - b. Snow Removal Policy Review*(34-37)
 - c. Cottonwood County Contract for Winter Maintenance*(38-40)
 - d. Public Nuisance Update
8. Yoder Lawsuit Update, Meeting May be Closed, Attorney/Client Privilege
9. Preparation for Union Negotiations – Meeting May be Closed.
10. Adjourn

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

HELD: October 3, 2016

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Mountain Lake, Minnesota, was duly called and held at the City Hall in Mountain Lake, Minnesota, on Monday, October 3, 2016, at 5:30 p.m., for the purpose of approving tax abatements to assist in financing the acquisition of land for an industrial park.

The following members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 24-16

RESOLUTION APPROVING PROPERTY TAX ABATEMENTS

BE IT RESOLVED by the City Council of the City of Mountain Lake, Minnesota (the "City"), as follows:

WHEREAS, the City proposes to finance the acquisition of land for an industrial park (the "Project") in the City. The City proposes to use the abatement for the purposes provided for in the Abatement Law (as hereinafter defined), including the Project. The proposed term of the abatement will be for up to fifteen years in an amount not to exceed \$418,000. The abatement will apply to the City's share of the property taxes (the "Abatement") derived from the property described by property identification numbers on the attached "Exhibit A" (the "Property"); and

WHEREAS, on the date hereof, the Council held a public hearing on the question of the Abatement, and said hearing was preceded by at least 10 days but not more than 30 days prior published notice thereof; and

WHEREAS, the Abatement is authorized under Minnesota Statutes, Sections 469.1812 through 469.1815, as amended (the "Abatement Law").

WHEREAS, the City proposes to issue Taxable General Obligation Abatement Bonds in the amount of \$366,000 (the "Bonds") to finance the Project.

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

1. Findings for the Abatement. The City Council hereby makes the following findings:

①

- (a) The Council expects the benefits to the City of the Abatement to at least equal or exceed the costs to the City thereof.
- (b) Granting the Abatement is in the public interest because it will:
 - (i) increase or preserve tax base; and
 - (ii) provide employment opportunities in the City.
- (c) The Property is not and will not be located in a tax increment financing district during the Abatement period.
- (d) In any year, the total amount of property taxes abated by the City by this and other abatement resolutions, if any, shall not exceed ten percent (10%) of net tax capacity of the City for the taxes payable year to which the abatement applies or \$200,000, whichever is greater (the "Abatement Limit"). The City may grant other abatements permitted under the Abatement Law after the date of this resolution, provided that to the extent the total abatements in any year exceed the Abatement Limit the allocation of the Abatement limit to such other abatements is subordinate to the Abatement granted by this resolution.

2. Terms of Abatement. The Abatement is hereby approved. The terms of the Abatement are as follows:

- (a) The Abatement shall be for up to a fifteen (15) year period and shall apply to the taxes payable in the years 2017 through 2031, inclusive.
- (b) The City will abate the City's share of property tax amount which the City receives from the Property, cumulatively not to exceed \$418,000 in an annual amount sufficient to pay the annual principal on the Bonds.
- (c) The Abatement shall be subject to all the terms and limitations of the Abatement Law.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____ and, after a full discussion thereof and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Exhibit A

Parcel ID Numbers for "Property"

22.034.0100
22.034.0200
22.413.0030
22.034.1700
22.520.0210
22.520.0220

Wendy Meyer

From: Tammy Omdal <tomdal@northlandsecurities.com>
Sent: Friday, September 23, 2016 2:13 PM
To: Wendy Meyer (wmeyer@mountainlakemn.com); Rob Anderson (randerson@mountainlakemn.com); Dawn Fast (dfast@mountainlakemn.com)
Subject: Mt Lake 2016A Bonds
Attachments: Prelim BankTermSheet MtLake_as of 21SEP2016.pdf; Calendar2016.pdf; Taxable Tax Abatement 2016 Bank Rates.pdf
Importance: High

All –

I have heard back from United Prairie Bank. They are proposing a change in the yields on the Bonds. If the City finds their proposal to be acceptable, the Bank is ready to commit to purchasing the Bonds as presented in the preliminary term sheet.

Maturity Date	PRELIMINARY		PROPOSED BY BANK	
	Yields	Average Annual Debt Service	Yields	Average Annual Debt Service
2023	2.50%	\$31,885	2.60%	\$32,293
2028	3.20%	\$31,756	3.60%	\$32,610
2032	3.90%	\$31,896	4.10%	\$32,575

I have attached the preliminary bank term sheet as presented to the Bank. I have also attached the calendar, which includes the next steps. And, the last attachment is the updated structure for the 2016A Bonds based on the yields proposed by the Bank.

It is my opinion that given the current market rate environment, municipal taxable bond rates, and terms of the proposed 2016A Bonds that the yields proposed by the Bank are acceptable. It is important to note, the City will have the ability to prepay the Bonds on any day at a price of par plus accrued interest.

Please either call me if you wish to discuss or respond via email if you find the Bank's proposal to be acceptable. The Bank was hoping to hear back from us today, if possible. The City Council will be asked to authorize the sale of the Bonds at the October 17 meeting.

Thank you,

Tammy Omdal
Senior Vice President, Manager of Northland Strategies

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PRELIMINARY BANK TERM SHEET

**City of Mountain Lake, Minnesota
Taxable General Obligation Tax Abatement Bonds,
Series 2016A**

City of Mountain Lake Mountain Lake, located in Cottonwood County, is located in the southwestern portion of Minnesota. The City lies approximately 12 miles northeast of Windom, 15 miles southwest of St. James, and 150 miles southwest of the Twin Cities Metropolitan Area. Access is provided via State Highway 60 as well as County Roads 1 and 27. In addition, Interstate Highway 90 lies just 20 miles south of the City.

Purchaser: To Be Determined

Issuer Contact: City of Mountain Lake
930 Third Avenue
Box C
Mountain Lake, MN 56159
Attn: Wendy Meyer, Administrator/Clerk
Telephone: 507-427-2999 Ext. 1
city@mountainlake.govoffice.com

Placement Agent: Northland Securities, Minneapolis, Minnesota
Tammy Omdal Telephone: 612-851-4964
Email: tomdal@northlandsecurities.com
Trent Wells Telephone: 612-851-5915
Email: twells@northlandsecurities.com

Bond Counsel: Briggs and Morgan, Professional Association, Minneapolis, MN

Par Amount: \$366,000

Purchase Price: \$366,000

Pricing Date: October 10, 2016

Award Meeting: October 17, 2016

Dated Date: November 1, 2016

Closing Date: November 1, 2016

Interest Due: February 1 and August 1, commencing August 1, 2017.

9/21/2016

Term Bonds:

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Average Life</u>
02/01/2023	2.5%	\$126,000	3.885 years
02/01/2028	3.2%	\$124,000	9.315 years
02/01/2032	3.9%	\$116,000	13.810 years

Mandatory Sinking

Fund:

	<u>2023 Term Bond</u>	<u>2028 Term Bond</u>	<u>2032 Term Bond</u>
02/01/2018	\$17,000	02/01/2024 \$23,000	02/01/2029 \$27,000
02/01/2019	\$21,000	02/01/2025 \$24,000	02/01/2030 \$28,000
02/01/2020	\$21,000	02/01/2026 \$25,000	02/01/2031 \$30,000
02/01/2021	\$22,000	02/01/2027 \$26,000	02/01/2032 \$31,000
02/01/2022	\$22,000	02/01/2028 \$26,000	
02/01/2023	\$23,000		

Optional Redemption: The Bonds are subject to prepayment on any day at a price of par plus accrued interest.

Rating: Not Rated.

Authority and Purpose: The Bonds are being issued pursuant to Minnesota Statutes, Chapter 475 and Sections 469.1812-469.1815, as amended. Proceeds of the Bonds will be used to finance land acquisition for an industrial park.

Security: The Bonds are valid and binding general obligations of the city and are payable from an annual tax abatement levy. The full faith and credit of the City is also pledged to their payment. In the event of any deficiency in the Debt Service Account established for this Issue, the City has validly obligated itself to levy additional ad valorem taxes upon all of the taxable property within the City, without limitation of amount.

Not Bank Qualified: The Bonds will not be designated as bank qualified tax-exempt obligations.

No Continuing Disclosure The City will not enter into an undertaking to annually provide continuing disclosure information with respect to the bonds.

Taxability of Interest: In the opinion of Bond Counsel to be delivered at closing, interest on the Bonds is included in gross income for State of Minnesota and federal income tax purposes and is included, to

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Northland Securities, Inc., 45 South 7th Street, Suite 2000, Minneapolis, MN 55402 800-851-2920

Member FINRA and SIPC

NORTHLAND
SECURITIES

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9/21/2016

the same extent, in both gross income and taxable net income for State of Minnesota income tax purposes.

Additional Provisions:

The Bonds will be held with the Purchaser and not reoffered to the public.

Bonds will be issued in \$1,000 denominations.

One typewritten bond per term bond maturity will be printed.

Paying Agent:

Northland Trust Services, Inc., Minneapolis, Minnesota.

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Northland Securities, Inc., 45 South 7th Street, Suite 2000, Minneapolis, MN 55402 800-851-2920

Member FINRA and SIPC



CITY OF MOUNTAIN LAKE, MINNESOTA
TAXABLE GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2016

The following checklist of items denotes each milestone activity as well as the members of the finance team who will have the responsibility to complete it. *Please note this proposed timetable assumes regularly scheduled City Council meetings.*

September 2016						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

October 2016						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

November 2016						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

December 2016						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Date	Action	Responsible Party
September 19	City Council calls for public hearing for property tax abatement - 6:30 p.m.	City Council Action, Bond Counsel
September 19	City submits notice for public hearing to newspaper	City Staff
No Later than September 22	Notice for public hearing published (must be published not later than 11 days, nor more than 29 days before public hearing date)	City Staff
October 3	Public Hearing to consider property tax abatement	City Council Action, Bond Counsel
Week of October 10	Bond Pricing Bond Purchase Contract Signed	Northland, City
October 17	Authorizing Resolution Adopted - 6:30 p.m.	City Council Action, Northland, Bond Counsel
November 3	Closing on the Bonds (Proceeds available)	Northland, City Staff, Bond Counsel



City of Mountain Lake, Minnesota

\$366,000 Taxable General Obligation Tax Abatement Bonds, Series 2016

(NR, PP, Rates From Bank on 9/23/16)

Sources & Uses

Dated 11/01/2016 | Delivered 11/01/2016

Sources Of Funds

Par Amount of Bonds	\$366,000.00
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Total Sources	\$366,000.00
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Uses Of Funds

Costs of Issuance	15,471.00
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Deposit to Project Construction Fund	350,000.00
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Rounding Amount	529.00
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Total Uses	\$366,000.00
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City of Mountain Lake, Minnesota

\$366,000 Taxable General Obligation Tax Abatement Bonds, Series 2016

(NR, PP, Rates From Bank on 9/23/16)

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/01/2016	-	-	-	-	-
08/01/2017	-	-	9,402.00	9,402.00	-
02/01/2018	17,000.00	2.600%	6,268.00	23,268.00	32,670.00
08/01/2018	-	-	6,047.00	6,047.00	-
02/01/2019	20,000.00	2.600%	6,047.00	26,047.00	32,094.00
08/01/2019	-	-	5,787.00	5,787.00	-
02/01/2020	21,000.00	2.600%	5,787.00	26,787.00	32,574.00
08/01/2020	-	-	5,514.00	5,514.00	-
02/01/2021	21,000.00	2.600%	5,514.00	26,514.00	32,028.00
08/01/2021	-	-	5,241.00	5,241.00	-
02/01/2022	22,000.00	2.600%	5,241.00	27,241.00	32,482.00
08/01/2022	-	-	4,955.00	4,955.00	-
02/01/2023	22,000.00	2.600%	4,955.00	26,955.00	31,910.00
08/01/2023	-	-	4,669.00	4,669.00	-
02/01/2024	23,000.00	3.600%	4,669.00	27,669.00	32,338.00
08/01/2024	-	-	4,255.00	4,255.00	-
02/01/2025	24,000.00	3.600%	4,255.00	28,255.00	32,510.00
08/01/2025	-	-	3,823.00	3,823.00	-
02/01/2026	25,000.00	3.600%	3,823.00	28,823.00	32,646.00
08/01/2026	-	-	3,373.00	3,373.00	-
02/01/2027	26,000.00	3.600%	3,373.00	29,373.00	32,746.00
08/01/2027	-	-	2,905.00	2,905.00	-
02/01/2028	27,000.00	3.600%	2,905.00	29,905.00	32,810.00
08/01/2028	-	-	2,419.00	2,419.00	-
02/01/2029	28,000.00	4.100%	2,419.00	30,419.00	32,838.00
08/01/2029	-	-	1,845.00	1,845.00	-
02/01/2030	29,000.00	4.100%	1,845.00	30,845.00	32,690.00
08/01/2030	-	-	1,250.50	1,250.50	-
02/01/2031	30,000.00	4.100%	1,250.50	31,250.50	32,501.00
08/01/2031	-	-	635.50	635.50	-
02/01/2032	31,000.00	4.100%	635.50	31,635.50	32,271.00
Total	\$366,000.00	-	\$121,108.00	\$487,108.00	-

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City of Mountain Lake, Minnesota

\$366,000 Taxable General Obligation Tax Abatement Bonds, Series 2016

(NR, PP, Rates From Bank on 9/23/16)

Debt Service Schedule

Part 2 of 2

Date And Term Structure

Dated	11/01/2016
Delivery Date	11/01/2016
First available call date	Any Date
Call Price	100.00%

Yield Statistics

Bond Year Dollars	\$3,270.50
Average Life	8.936 Years
Average Coupon	3.7030423%
Net Interest Cost (NIC)	3.7030423%
True Interest Cost (TIC)	3.6723730%
All Inclusive Cost (AIC)	4.2629530%

IRS Form 8038

Net Interest Cost (NIC)	3.7030423%
Weighted Average Maturity	8.936 Years
Bond Yield for Arbitrage Purposes	3.6723730%

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City of Mountain Lake, Minnesota

\$366,000 Taxable General Obligation Tax Abatement Bonds, Series 2016

(NR, PP, Rates From Bank on 9/23/16)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
02/01/2023	Term 1 Coupon	2.600%	2.600%	123,000.00	100.000%	123,000.00
02/01/2028	Term 2 Coupon	3.600%	3.600%	125,000.00	100.000%	125,000.00
02/01/2032	Term 3 Coupon	4.100%	4.100%	118,000.00	100.000%	118,000.00
Total	-	-	-	\$366,000.00	-	\$366,000.00

Bid Information

Par Amount of Bonds	\$366,000.00
Gross Production	\$366,000.00
Bid (100.000%)	366,000.00
Total Purchase Price	\$366,000.00
Bond Year Dollars	\$3,270.50
Average Life	8.936 Years
Average Coupon	3.7030423%
Net Interest Cost (NIC)	3.7030423%
True Interest Cost (TIC)	3.6723730%

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City of Mountain Lake, Minnesota

\$366,000 Taxable General Obligation Tax Abatement Bonds, Series 2016

(NR, PP, Rates From Bank on 9/23/16)

Detail Costs Of Issuance

Dated 11/01/2016 | Delivered 11/01/2016

COSTS OF ISSUANCE DETAIL

Placement Agent Fee	\$7,000.00
Bond Counsel	\$7,500.00
Paying Agent	\$750.00
CUSIP Fee	\$221.00
TOTAL	\$15,471.00

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT is made and entered into this 3rd day of October, 2016, by and between Steven J. Pankratz as Trustee of the Mabel S. Pankratz Revocable Living Trust Agreement dated July 9, 1993, whose address is 110 E. Center St., #1659, Madison, SD 57042 (hereinafter "Seller"), and City of Mountain Lake, whose address is PO Box C, Mountain Lake, MN 56159 (hereinafter "Buyer").

RECITALS

1. Seller is the owner of certain land located in Cottonwood County, Minnesota, and described as follows, to-wit:

Commencing at the Southwest corner of the NW ¼ of Section 4, Township 105, Range 34; thence North along the West section line of said NW ¼ a distance of 958 feet; thence East parallel with the South section line of said NW ¼ a distance of 133 feet; thence North parallel with the West section line of said NW ¼ a distance of 75 feet; thence East parallel with the South section line of said NW ¼ a distance of 1,305.5 feet, thence south a distance of 1,033 feet to the south line of said NW ¼ to a point which is 1,450.5 feet East of the Southwest corner of said NW ¼; thence West along the South line of said NW ¼ to the point of beginning, containing 34.02 acres, more or less. EXCEPTING those parts thereof shown as Parcel 10 on Minnesota Department of Transportation Right-of-Way Plat Numbered 17-6 as the same is on file and of record in the office of the County Recorder in and for Cottonwood County, Minnesota. (Parcel No. 12-004-0500).

(hereinafter "Property").

2. Buyer desires to purchase the Property from Seller, and after discussions and negotiations, the parties have reached an agreement for such sale and desire to reduce their agreement to writing, as provided herein.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants, conditions and terms contained herein, the parties hereby mutually agree as follows:

1.0 SALE.

On or before November 1, 2016, the date of closing, Buyer shall pay to Seller, as and for the purchase of the Property, the sum of Three Hundred Forty-two Thousand and No/100 Dollars (\$342,000.00).

The purchase agreement is contingent on the authorization of the sale of the City of Mountain Lake, Taxable General Obligation Abatement Bonds, Series 2016A, scheduled for award on October 17, 2016.

2.0 DEED/MARKETABLE TITLE.

Upon performance by Buyer, Seller shall deliver a Trustee's Deed conveying marketable title, subject to:

- A. Building and zoning laws, ordinances, state and federal regulations.
- B. Restrictions relating to use or improvement of the Property without effective forfeiture provisions.
- C. Reservation of any mineral rights by the State of Minnesota.
- D. Utility and Drainage Easements which do not interfere with existing improvements.

- E. Rights of tenants as follows: None.
- F. Others: The terms and provisions of this Agreement.

3.0 SPECIAL ASSESSMENTS/TAXES.

Seller and Buyer shall prorate, through the date of closing, all real estate taxes and installments of special assessments certified for payment, along with such taxes that are due and payable in the year of closing. Seller shall pay for all real estate taxes and all special assessments due and payable therewith in the years preceding the year in which the closing is held. Seller shall pay, on the date of closing, any deferred real estate taxes (i.e., green acres, etc.) or special assessments, payment of which is required as a result of the closing of this sale. Buyer shall pay real estate taxes due and payable in the year following closing and thereafter, and any unpaid special assessments payable therewith and thereafter, the payment of which is not otherwise provided for above.

4.0 TITLE AND EXAMINATION.

- A. Seller shall within a reasonable time after execution of this Agreement, provide evidence of title in the form of either: (1) a commitment for an owner's policy of title insurance in the amount of the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Minnesota; or (2) an Abstract of Title or a Registered Property Abstract certified to date. Evidence of title shall include proper searches covering bankruptcies, state and federal judgments and liens, and levied and pending special assessments. Buyer shall: (1) pay the entire premium for such title insurance policy if no lender's policy is obtained and only the additional cost of obtaining a simultaneously-issued owner's policy if a lender's policy is obtained; or (2) Seller shall pay all costs of providing the abstract. Seller shall surrender any abstract in Seller's possession or control to Buyer at closing.
- B. Seller shall use Seller's best efforts to provide marketable title by the date of closing. In the event Seller has not provided marketable title by the date of closing, Seller shall have an additional 30 days to make title marketable, or in the alternative, Buyer may waive title defects by written notice to the Seller. In addition to the 30-day extension, Buyer and Seller may, by mutual agreement, further extend the closing date. Lacking such extension, either party may declare this Purchase Agreement null and void; neither party shall be liable for damages hereunder to the other, and earnest money shall be refunded to Buyer; Buyer and Seller shall immediately sign a Cancellation of Purchase Agreement.

5.0 SUBDIVISION/WARRANTIES.

- A. Seller makes the following warranties to Buyer, but only those warranties which are marked with an "x" apply:
 - That the legal description of the real property to be conveyed has been or will be approved for recording as of the date of closing.
 - That there is a right of access to the Property from a public right of way.
 - That prior to the closing, payment in full will have been made for all labor, materials, machinery, fixtures or tools furnished within the 120 days immediately preceding the closing in connection with construction, alteration or repair of any structure on or improvement to the Property.
 - That Seller has not received any notice from any governmental authority as to violation of law, ordinance or regulation. If the Property is subject to restrictive covenants, that Seller has not received any notice from any person or authority as to a breach of the covenants. Any notices received by Seller will be provided to Buyer immediately.

- That taxes due and payable in the year 2016 are of agricultural non-homestead classification. No representations or warranties are made concerning the amount of subsequent real estate taxes.

B. These warranties shall survive the delivery of the Deed to Buyer. Seller agrees to allow reasonable access to the Property for performance of any surveys or inspections agreed to herein.

6.0 TIME OF ESSENCE.

Time is of the essence in this Purchase Agreement.

7.0 ENTIRE AGREEMENT.

This Purchase Agreement, any attached exhibits and any addenda or amendments signed by the parties, shall constitute the entire agreement between Seller and Buyer and shall supersede any other written or oral agreements between Seller and Buyer. This Purchase Agreement can be modified only in writing signed by Seller and Buyer.

8.0 DEFAULT.

If Buyer defaults in any of the agreements herein, Seller may terminate this Purchase Agreement, and payments made hereunder may be retained by Seller as liquidated damages. If this Purchase Agreement is not so terminated, Buyer or Seller may seek actual damages or breach of this Agreement or specific performance of this Agreement, and as to specific performance, such action must be commenced within six months after such right of action arises.

9.0 POSSESSION.

Seller shall deliver possession of the Property no later than immediately after closing. All interest, rents, electricity, natural gas and all other utilities or expenses relating to the Property (except as otherwise provided herein) shall be prorated between the parties as of the date of closing. Seller agrees to remove all debris and all personal property not included herein from the Property by the closing date.

10.0 ENVIRONMENTAL CONCERNS.

To the best of the Seller's knowledge, there are no hazardous substances or underground storage tanks on the Property.

11.0 MISCELLANEOUS.

- A. Execution of Documents.** Seller and Buyer agree to execute any and all documents necessary to implement the full terms and conditions of this Agreement.
- B. Survival of Representations and Warranties.** All agreements, representations and warranties made herein will survive the closing and shall continue to be binding and enforceable between the parties.
- C. Successors Bound.** The provisions of this Agreement shall inure to the benefit of and be binding upon the successors of the parties. This Agreement, and all documents, contracts, easements, restrictive covenants, rights of first refusal and contracts executed in conjunction herewith shall inure to the benefit of and be binding upon all heirs, successors and assigns of Buyer and Seller.
- D. Governing Law.** This Agreement shall be governed by the laws of the State of Minnesota.
- E. Severability.** If one provision of this Agreement is held invalid, that shall not affect any other provision of this Agreement.

F. Assignment. Neither party may assign their rights, duties, obligations or benefits under this Agreement without the prior written consent of the other party.

IN WITNESS WHEREOF, this Agreement has been executed on the day and year first above written.

SELLER: MABEL S. PANKRATZ
REVOCABLE LIVING TRUST
AGREEMENT DATED JULY 9, 1993

Dated: _____

Steven J. Pankratz, Trustee

BUYER:
CITY OF MOUNTAIN LAKE

Dated: _____

By _____

Its _____

Dated: _____

By _____

Its _____

FINANCING ADDENDUM TO PURCHASE AGREEMENT

This Agreement is contingent upon the Buyer obtaining a commitment in writing for a mortgage in the amount of at least \$342,000.00 with a variable interest rate over a term of 15 years. Buyer agrees to pay all customary loan cost. Buyer agrees upon an acceptance of this offer to immediately make application for such mortgage with lender and to make their best effort to obtain a mortgage commitment as above provided.

If Buyer has not obtained a written commitment or loan denial on or before October 3, 2016, then Seller may rescind this Agreement by giving written notice to the Buyer that if a mortgage commitment has not been obtained with 5 business days of receipt of such notice then this Agreement shall be null and void. If SELLERS do not chose to give such written notice, then this Agreement shall remain valid until the Buyer has obtained a mortgage commitment or a denial.

SELLER: MABEL S. PANKRATZ
REVOCABLE LIVING TRUST
AGREEMENT DATED JULY 9, 1993

Dated: _____

Steven J. Pankratz, Trustee

BUYER:
CITY OF MOUNTAIN LAKE

Dated: _____

By _____

Its _____

Dated: _____

By _____

Its _____

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October 3, 2016
 mtg
 9919204-9919241
 453 E

September 2016 to October 2016

			Check Amt	Invoice	Comment
10100 United Prairie					
Paid Chk#	9919204	9/16/2016		INDOFF INCORPORATED	
E 211-45500-200	Office Supplies		\$25.43		LIBRARY SUPPLIES
	Total INDOFF INCORPORATED		\$25.43		
Paid Chk#	9919205	9/16/2016		INGRAM	
E 211-45500-590	Capital Outlay Books		\$765.56		LIBRARY BOOKS
	Total INGRAM		\$765.56		
Paid Chk#	9919206	9/16/2016		PETERSON DRUG & GIFTS	
E 211-45500-200	Office Supplies		\$17.32		LIBRARY SUPPLIES
	Total PETERSON DRUG & GIFTS		\$17.32		
Paid Chk#	9919207	9/16/2016		SANDY SCHROEDER	
E 211-45500-331	Travel Expenses		\$53.67		MILEAGE TO SLAYTON
	Total SANDY SCHROEDER		\$53.67		
Paid Chk#	9919208	9/29/2016		AFLAC	
G 101-21713	AFLAC		\$192.74		
	Total AFLAC		\$192.74		
Paid Chk#	9919209	9/29/2016		BCBS/HSA	
G 101-21714	HSA		\$793.85		
	Total BCBS/HSA		\$793.85		
Paid Chk#	9919210	9/29/2016		COMMISSIONER OF REVENUE	
G 101-21702	State Withholding		\$778.40		
	Total COMMISSIONER OF REVENUE		\$778.40		
Paid Chk#	9919211	9/29/2016		GISLASON & HUNTER	
G 101-21712	Garnishments		\$362.72		
	Total GISLASON & HUNTER		\$362.72		
Paid Chk#	9919212	9/29/2016		INTERNAL REVENUE SERVICE	
G 101-21701	Federal Withholding		\$1,777.90		
G 101-21703	FICA Tax Withholding		\$2,353.48		
	Total INTERNAL REVENUE SERVICE		\$4,131.38		
Paid Chk#	9919213	9/29/2016		PERA	
G 101-21704	PERA		\$4,112.71		
	Total PERA		\$4,112.71		
Paid Chk#	9919214	9/29/2016		VALIC	
G 101-21705	VALIC		\$388.00		
	Total VALIC		\$388.00		
Paid Chk#	9919215	9/30/2016		FRONTIER	
E 211-45500-321	Telephone		\$65.11		LIBRARY GAS BILL
	Total FRONTIER		\$65.11		
Paid Chk#	9919216	9/30/2016		MUNICIPAL UTILITIES	
E 101-43160-381	Electric Utilities		\$3,034.09		AUGUST STREET LIGHTING
	Total MUNICIPAL UTILITIES		\$3,034.09		
Paid Chk#	9919217	9/30/2016		MUNICIPAL UTILITIES	
E 101-41400-200	Office Supplies		\$127.94		CITY POSTAGE 7/13/16 TO 9/29/16
E 101-42100-200	Office Supplies		\$1.86		PD-POSTAGE 7/13/16 TO 9/29/16

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September 2016 to October 2016

			Check Amt	Invoice	Comment
E 205-46500-200	Office Supplies		\$9.97		EDA-POSTAGE 7/13/16 TO 9/29/16
E 507-46103-322	Postage		\$1.14		LAKE COMM-POSTAGE 7/13/16 TO 9/29/16
	Total MUNICIPAL UTILITIES		\$140.91		
Paid Chk# 9919218	9/30/2016	ALERT-ALL CORP			
E 221-42200-430	Miscellaneous		\$830.80	216090061	ITEMS FOR FIRE PREVENTION WEEK
	Total ALERT-ALL CORP		\$830.80		
Paid Chk# 9919219	9/30/2016	AMAZON			
E 211-45500-590	Capital Outlay Books		\$259.00		LIBRARY BOOKS
	Total AMAZON		\$259.00		
Paid Chk# 9919220	9/30/2016	AVENET, LLC			
E 101-42100-200	Office Supplies		\$950.00	39473	POLICE GOV OFFICE E-MAIL THROUGH 9-30-17
	Total AVENET, LLC		\$950.00		
Paid Chk# 9919221	9/30/2016	CARDMEMBER SERVICE			
E 101-00000-430	Miscellaneous		\$19.98		CODE 42 SOFTWARE-DAILY BACKUP FEE
	Total CARDMEMBER SERVICE		\$19.98		
Paid Chk# 9919222	9/30/2016	CARLENE SCHOONS			
R 101-46200-34400	Grave Open & Close		\$200.00		REFUND CEMETERY OPEN/CLOSE-PAID WEEKEND RATE NOT WEEKDAY RATE
	Total CARLENE SCHOONS		\$200.00		
Paid Chk# 9919223	9/30/2016	COTTONWOOD COUNTY RECORDER			
E 507-46103-430	Miscellaneous		\$46.00		RECORD EASEMENT FOR SEDIMENT BASIN AT GOLF COURSE
	Total COTTONWOOD COUNTY RECORDER		\$46.00		
Paid Chk# 9919224	9/30/2016	DENNIS HULZEBOS			
E 101-45186-400	Janitor-Repairs/Maint		\$250.00		OCTOBER MAINT AT SR CTR
E 211-45500-400	Janitor-Repairs/Maint		\$345.00		OCTOBER MAINT AT LIBRARY
	Total DENNIS HULZEBOS		\$595.00		
Paid Chk# 9919225	9/30/2016	DOUG BRISTOL			
E 101-42100-430	Miscellaneous		\$50.68		WATER HOSE FOR GARAGE
	Total DOUG BRISTOL		\$50.68		
Paid Chk# 9919226	9/30/2016	DUININCK			
E 101-00000-430	Miscellaneous		\$474.00	523952	6 TON TAR WATERMAIN BREAK-10TH ST
E 101-00000-430	Miscellaneous		\$158.00	523952	2 TON TAR-ELEC DEPT POLE BEHIND CLINIC
E 101-43121-224	Street Maint Materials		\$135.09	523952	1.71 TON STORM SEWER REPAIR-10TH ST
E 101-43150-220	Repair/Maint Supply		\$1,578.42	523952	TAR-6TH ST STORM SEWER (NEW)
E 101-43121-224	Street Maint Materials		\$778.15	523982	TAR-ST REPAIR 11TH ST
E 101-43150-220	Repair/Maint Supply		\$628.05	523982	TAR-NEW STORM SEWER 6TH ST
	Total DUININCK		\$3,751.71		
Paid Chk# 9919227	9/30/2016	EMILY ADRIAN			
E 231-42154-308	Training & Instruction		\$237.13	9/16-18	MEMSA CONF EXPENSES
	Total EMILY ADRIAN		\$237.13		
Paid Chk# 9919228	9/30/2016	FRONTIER			
E 101-41400-321	Telephone		\$190.49		CITY HALL PHONE-427-2999
E 101-42100-321	Telephone		\$219.87		POLICE DEPT PHONE-427-3403
E 101-43100-321	Telephone		\$68.14		STREET DEPT PHONE-427-2997
E 101-45186-321	Telephone		\$63.89		SR CTR PHONE-427-2151

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September 2016 to October 2016

			Check Amt	Invoice	Comment
E 205-46500-321	Telephone		\$37.50		EDA PORTION OF DSL & 427-2999
E 205-46500-321	Telephone		\$5.06		CHAMBER 800#
E 101-00000-430	Miscellaneous		\$98.61		UT-PHONE
Total FRONTIER			\$683.56		
Paid Chk# 9919229	9/30/2016	GREATAMERICA FINANCIAL SVCS			
E 101-00000-430	Miscellaneous		\$8.43		CHAMBER-MONTHLY COLOR COPY MACHINE LEASE
E 101-41400-200	Office Supplies		\$26.35		OFFICE-MONTHLY COLOR COPY MACHINE LEASE
E 101-42100-200	Office Supplies		\$8.78		PD-MONTHLY COLOR COPY MACHINE LEASE
E 101-00000-430	Miscellaneous		\$91.31		UT-MONTHLY COLOR COPY MACHINE LEASE
E 205-46500-200	Office Supplies		\$5.62		EDA-MONTHLY COLOR COPY MACHINE LEASE
Total GREATAMERICA FINANCIAL SVCS			\$140.49		
Paid Chk# 9919230	9/30/2016	INDOFF INCORPORATED			
E 101-41400-200	Office Supplies		\$159.55	2841930	FILES,BINDERS,NOTEBOOK
E 101-41400-200	Office Supplies		\$35.26	2845037	FILE FOLDERS
E 101-41400-200	Office Supplies		(\$28.38)	2848963	RETURNED FILE FOLDERS
E 101-00000-430	Miscellaneous		\$172.82	2849732	UT-30 REAMS CANARY PAPER
E 211-45500-200	Office Supplies		\$36.23	2849732	LIB-10 REAMS PAPER
E 101-42100-200	Office Supplies		\$36.23	2849732	PD-10 REAMS PAPER
E 101-00000-430	Miscellaneous		\$217.38	2849732	UT-60 REAMS WHITE PAPER
E 101-41400-200	Office Supplies		\$326.08	2849732	CITY-90 REAMS WHITE PAPER
E 205-46500-200	Office Supplies		\$108.69	2849732	EDA-30 REAMS WHITE PAPER
E 205-46500-200	Office Supplies		\$111.68	2850960	EDA-REPORT COVERS FOR WELCOME BAGS
Total INDOFF INCORPORATED			\$1,175.54		
Paid Chk# 9919231	9/30/2016	JOHN YSKER			
E 101-43240-111	Contract		\$250.00		OCTOBER DUMP SALARY
Total JOHN YSKER			\$250.00		
Paid Chk# 9919232	9/30/2016	LOHRENZ INC			
E 101-43150-220	Repair/Maint Supply		\$60.00	6610	SEWER FITTINGS-STORM SEWER
Total LOHRENZ INC			\$60.00		
Paid Chk# 9919233	9/30/2016	MARK WARNER			
E 231-42154-308	Training & Instruction		\$122.33	9/17-18	MEMSA CONF REIMBURSEMENT
Total MARK WARNER			\$122.33		
Paid Chk# 9919234	9/30/2016	MINNESOTA ENERGY RESOURCE CORP			
E 101-41400-383	Gas Utilities		\$65.70		CITY HALL GAS-ACCT#4346780-2
E 221-42200-383	Gas Utilities		\$35.44		FIRE DEPT PORTION OF FIREHALL GAS-ACCT#4296165-6
E 231-42154-383	Gas Utilities		\$17.45		AMB PORTION OF FIREHALL GAS-ACCT#4296165-6
E 101-43100-383	Gas Utilities		\$56.92		STREET GARAGE GAS-ACCT#4092120-7
E 211-45500-383	Gas Utilities		\$52.89		LIBRARY GAS-ACCT#4134278-3
E 101-45186-383	Gas Utilities		\$40.40		SR CTR GAS-ACCT#4010846-6
al MINNESOTA ENERGY RESOURCE CORP			\$268.80		
Paid Chk# 9919235	9/30/2016	MINNESOTA MUTUAL LIFE			
E 101-42100-135	Employer Paid Other		\$1.70		OCT BRIAN LUNZ LIFE INSURANCE
E 101-42100-134	Employer Paid Life		\$6.80		OCT LIFE INS-POLICE DEPT
E 101-41400-134	Employer Paid Life		\$1.70		OCT WENDY FAST-LAKER APTS-LIFE INS
E 211-45500-134	Employer Paid Life		\$1.70		OCT LIFE INS-LIBRARY
E 101-43100-134	Employer Paid Life		\$3.06		OCT LIFE INS-ST DEPT
E 101-41400-134	Employer Paid Life		\$3.40		OCT LIFE INS-OFFICE
E 101-45200-134	Employer Paid Life		\$1.02		OCT LIFE INS-PARKS DEPT

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September 2016 to October 2016

			Check Amt	Invoice	Comment
E 101-46200-134	Employer Paid Life		\$1.02		OCT LIFE INS-CEMETERY
E 205-46500-134	Employer Paid Life		\$1.70		OCT LIFE INS-EDA ROB ANDERSON
G 101-21706	Hospitalization/Medical Ins		\$25.30		OCT LIFE INS-ROBB ANDERSON
G 101-21706	Hospitalization/Medical Ins		\$10.90		OCT LIFE INS-DARON FRIESEN
G 101-21706	Hospitalization/Medical Ins		\$12.00		OCT LIFE INS-STEVE PETERS
Total MINNESOTA MUTUAL LIFE			\$70.30		
<hr/>					
Paid Chk#	9919236	9/30/2016	MUNICIPAL UTILITIES		
E 101-45200-380	Elec,Water,Sewer		\$86.87		LAWCON PARK LIGHTS
E 101-41400-380	Elec,Water,Sewer		\$442.25		CITY HALL UT
E 101-45200-380	Elec,Water,Sewer		\$137.39		CITY PARK RESTROOMS UT
E 101-45186-380	Elec,Water,Sewer		\$506.41		SR CTR UT
E 101-43100-380	Elec,Water,Sewer		\$210.71		ST DEPT UT
E 221-42200-380	Elec,Water,Sewer		\$150.06		FIRE DEPT PORTION OF FIREHALL UT
E 231-42154-380	Elec,Water,Sewer		\$73.91		AMB PORTION OF FIREHALL UT
E 211-45500-380	Elec,Water,Sewer		\$376.49		LIBRARY UT
E 607-46330-380	Elec,Water,Sewer		\$6.67		4-PLEX PORTION OF ST LITE ON HERITAGE DRIVE
E 608-46330-380	Elec,Water,Sewer		\$12.95		8-PLEX PORTION OF ST LITE ON HERITAGE DRIVE
E 101-45183-380	Elec,Water,Sewer		\$968.83		UT AT CAMPGROUND
E 101-45200-380	Elec,Water,Sewer		\$113.09		UT AT CITY PARK SHELTERHOUSE
E 205-46500-380	Elec,Water,Sewer		\$287.84		212 10TH ST N-FORMER CUSTOM MOTORS BLDG
Total MUNICIPAL UTILITIES			\$3,373.47		
<hr/>					
Paid Chk#	9919237	9/30/2016	MUSKE, MUSKE, SURHOFF		
E 101-41400-304	Legal Fees		\$1,400.00		OCTOBER LEGAL RETAINER
E 101-41400-304	Legal Fees		\$10.23		ADDITIONAL LEGAL FEES
Total MUSKE, MUSKE, SURHOFF			\$1,410.23		
<hr/>					
Paid Chk#	9919238	9/30/2016	SMC		
E 101-43121-224	Street Maint Materials		\$66.23	1361037	3/4" ROCK WITH FINES
Total SMC			\$66.23		
<hr/>					
Paid Chk#	9919239	9/30/2016	SOUTH CENTRAL COLLEGE		
E 231-42154-308	Training & Instruction		\$4,905.39	00148961	L & B KRATOVIL & MARK PANKRATZ EMT CLASS
Total SOUTH CENTRAL COLLEGE			\$4,905.39		
<hr/>					
Paid Chk#	9919240	9/30/2016	VERIZON		
E 101-42100-321	Telephone		\$9.06		POLICE DEPT CELL PHONE
E 231-42154-321	Telephone		\$9.40		AMB CELL PHONE
E 101-42100-321	Telephone		\$35.03		PD TABLET #1
E 101-42100-321	Telephone		\$35.01		PD TABLET #2
E 231-42154-321	Telephone		\$35.03		AMB JETPACK
Total VERIZON			\$123.53		
<hr/>					
Paid Chk#	9919241	9/30/2016	WENDY MEYER		
E 101-41400-308	Training & Instruction		\$133.92		MILEAGE TO MEETINGS
Total WENDY MEYER			\$133.92		
10100 United Prairie			\$34,585.98		

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September 2016 to October 2016

Check Amt Invoice Comment

Fund Summary

10100 United Prairie

101 GENERAL FUND	\$25,535.82	
205 ECONOMIC DEVELOPMENT AUTHORITY	\$568.06	
211 LIBRARY FUND	\$1,998.40	
221 FIRE DEPT FUND	\$1,016.30	
231 AMBULANCE FUND	\$5,400.64	
507 LAKE COMMISSION FUND	\$47.14	
607 EDA----4 PLEX FUND	\$6.67	
608 EDA----8 PLEX FUND	\$12.95	
	<hr/>	
	\$34,585.98	

Paid Chk# 000453E 9/21/2016 USDA-RURAL DEVELOPMENT

E 211-45500-602 Other Long-Term Oblig Princ al	\$4,023.54	USDA-LIBRARY ROOF LOAN
E 211-45500-610 Interest	\$2,055.46	USDA-LIBRARY ROOF LOAN
Total USDA-RURAL DEVELOPMENT	<hr/>	
	\$6,079.00	

DRAFT
Mountain Lake City Council Meeting
Mountain Lake City Hall
Monday, September 19, 2016
6:30 p.m.

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

Members Absent: None

Staff Present: Wendy Meyer, Clerk/Administrator; Maryellen Suhrhoff, City Attorney, Muske, Muske, and Suhrhoff; Andy Kehren, City Engineer, Bolton & Menk; Jim Peterson and Dave Bucklin, Lake Commission; Rick Oeltjenbruns, Street Dept.

Others Present: Jason Kruser; Jerry VanDyke, Barga, Inc.

Call to Order

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

Agenda and Consent Agenda

Motion by Savage, seconded by Kass, approve the consent agenda and adopt the agenda as presented. Motion carried unanimously.

Bills: Check #'s 9919157 - 9919203, 451E – 452E

Payroll #'s 62686 - 62716

September 6 Council Minutes

July 20 Library Board Minutes, July and August Library Report, and July and August Expenditures

August 5 and August 24 Economic Development Authority (EDA) Minutes

August 8 Lake Commission Minutes

August 25 Utilities Commission Minutes

Appoint Dean Janzen, Advisory Member EDA

Accept Resignation of Gloria Klassen, Library, effective October 1

Public

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

Extension of Brad Avenue, Andy Kehren, Bolton and Menk

Youth for Christ (YFC) was recently given Parcel #11.034.0200 which is located outside city limits. There are no plans to annex the property. The site will be served by city electricity but

will not be connecting to city water or sewer. Brad Avenue currently ends at the entrance to the football field parking lot. YFC is asking that Brad Avenue be extended to Parcel #11.034.0200. The city owns a strip of land extending from the existing Brad Avenue to Parcel 11.034.0200. The estimate prepared by Bolton and Menk to build a 24' road from Brad Avenue to Parcel #11.034.0200 was reviewed. The parcel is not landlocked because it includes a strip of land, which serves as drive-way and connects it to the township road (370th St.) to the north. As the property is outside city limits it pays no city property taxes. It was agreed by consensus that YFC should be build the road at their own expense and to minimal standards determined by Bolton and Menk. The administrator will contact YFC.

Final Reading and Public Hearing, Ordinance #9-16, Temporary Family Health Care Dwelling

Nelson opened the public hearing at 6:45PM. There was no one present who wished to speak to the ordinance. The public hearing was closed at 6:46PM. Motions by Ysker, seconded by Kruser, to adopt Ordinance 9-16 and publish a summary notice of its adoption. Motion carried unanimously.

Lake Commission Projects, Dave Bucklin and Jim Peterson

Bucklin presented a new engineer's estimate for the cost of constructing a sediment basin south of the parking lot at the Mt. Lake Golf Course. He and Jim Peterson have met with the golf course board; the spoil will be spread on the course which significantly reduces the cost. The project is eligible for Soil and Water Conservation District State Cost-Share Assistance Program grant dollars. Additional drainage needs to be added along the trail in Lawcon Park and the north side of the trail where storm water run-off is an issue. The plunge pool in Lawcon Park has a wall that needs reinforcing. Bucklin also presented a cost share assistance contract for the removal of buckthorn, an invasive species, on public land around the lake. Motion by Kass, seconded by Kruser, to approve the agreement with the golf course, sign both of the cost share project contracts and get quotes for the golf course project, the trail drainage projects, and the plunge pool repair. Motion carried unanimously.

Street Department, Equipment Purchase, Rick Oeltjenbruns

A quote for a new John Deere pay loader was presented. The current state bid price ends September 30. There was discussion on city's capital outlay plan, other brands of equipment, their cost and re-sale/trade-in value, the need to replace the pay loader, the street department equipment replacement policy, the policies of other cities, extended warranties and street department reserves that will be used for the purchase. Motion by Savage, seconded by Kass, to purchase a 2016 John Deere 524K Pay loader a cost of \$147,891 less trade-in of \$74,500 for an actual cost of \$73,391. Voting Aye: Kass, Nelson, Savage, and Ysker. Voting Nay: Kruser. Motion carried.

Second Reading, Ordinance #10-16 Amending Section 2.13 Salaries of Mayor, Council Members, and Members of Boards and Commissions

The ordinance was reviewed. Changes made at the September 6 council meeting were noted.

EDA New Industrial Park Land Purchase

Because the property is outside city limits it must be purchased by the city. This change alters the method of financing and the schedule to complete financing. The tentative financing schedule, tentative debt service schedule, revised Resolution #23-16, other details of the purchase and financing, and infrastructure costs were discussed. Motion by Savage, seconded by Kruser, to adopt Resolution #23-16 Calling for a Public Hearing on Proposed Tax Abatements. Motion carried unanimously. The hearing will be held during the October 3 council meeting.

Preliminary 2017 Budget & Levy

The summary was reviewed. It has been revised to reflect the 7% preliminary levy increase adopted at the September 6 council meeting.

Prince St. Replay Application, Bargaen, Inc.

A quote from Bargaen to apply Replay to east Prince St. was reviewed. Jerry VanDyke, Bargaen, Inc. answered questions. Applying the product in 2016 and making payment in 2017 was discussed. Motion by Kass, seconded by Ysker, to apply Replay in 2016 to west Prince St. at a cost of \$10,934. Motion carried unanimously.

Set Public Meeting Date to Discuss Budget

Motion by Kass, seconded by Savage, to hold the public meeting to discuss the budget as required by state statute at 6PM on Tuesday, December 6 prior to the regularly scheduled council meeting. Motion carried unanimously.

Local Blue Cross/Blue Shield Agent

The local agent, who is rarely contacted, receives \$22/mo./contract. First contact for city staff overseeing health insurance is a Blue Cross/Blue Shield Client Executive. Staff is recommending the city no longer appoint a local agent. Motion by Kruser, seconded by Ysker, to discontinue the appointment of a local agent beginning with the new plan year, and to notify the current local agent of the city's decision. Motion carried unanimously.

Public Nuisance Update

The city attorney updated the council on the status of the on-going public nuisance abatement at 1406 Third Ave.

Results of Monitoring of Grantee Performance, Mountain Lake Comprehensive Project and Results of MN Board of Peace Officer Standard and Training (POST) Compliance Review

The reports were reviewed. There were no findings or concerns identified during the comprehensive project (housing rehab and Well #7) monitoring. The Mountain Lake Police Department passed the review of their mandated employee training, and department policies conducted by the MN Board of Peace Officer Standards and Training (POST).

Preparation for Union Negotiations

Motion by Kass, seconded by Ysker, to close the meeting at 8:17 PM and to open the closed meeting pursuant to MN Statutes 179.01 – 179A.25 to consider union contract negotiation strategies. Motion carried unanimously.

Motion by Kruser, seconded by Ysker, to close the closed meeting and open the open meeting at 9:04 PM.

Adjourn

The meeting was adjourned at 9:05PM.

ATTEST:

Wendy Meyer, Clerk/Administrator

Mt. Lake Utilities Commission
Mt. Lake City Hall
Thursday, September 8, 2016
7AM

Members Present: Commissioners John Carrison, Todd Johnson, Mark Langland, Brett Lohrenz

Members Absent: Mike Johnson, David Savage, Council Liaison

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

Others Present: Christina Pierson, Central Minnesota Power Agency and Services (CMPAS), Director of Public Affairs

Call to Order

The meeting was called to order at 7 AM.

Approval of August 25 Minutes and Check Numbers 16488 – 16527

A check to the Cottonwood County Recorder for easement recording, and copier costs were discussed. Motion by Carrison, seconded by T. Johnson, to approve the minutes and bills.

Motion carried unanimously.

Electric Dept. Updates

Melson updated the commission on the work being done to make the engines National Emission Standards for Hazardous Air Pollutants (NESHAP) compliant, and the new sub-station. Highline Construction has completed pole replacement between Second and Third Avenue, and Twelfth Street and County Road #1.

Water/Wastewater Dept. Updates

Krahn reported that the computer program that runs the reverse osmosis system is having issues.

Christina Pierson, CMPAS

Pierson discussed CMPAS activities, Conservation Improvement Plan (CIP), environmental issues including the Clean Power Plan, renewable energy, and other issues that impact the Utility and the cost of electricity. Commissioners and staff were encouraged to attend the annual membership meeting scheduled for October 4.

Adjourn

Doug Bristol

From: Annette Kunkel
Sent: Thursday, September 01, 2016 6:50 PM
To: dbristol@mountainlakemn.com
Subject: Police Commission Minutes

Flag Status: Flagged

Police Commission Minutes
August 16, 2016

Members present: Sue Garloff, Chuck Witt, Doug Bristol, Norm Kunkel

Zuercher Report: New format everyone likes it. It's simpler and more informative.

Animal license: \$ 15.00 for two years due August 1st. Licenses still coming in.

Monday, August 29th Ice Cream Social: Request for a uniform office to be present.

M/A Chuck/Sue

Respectfully submitted
Norm Kunkel

Wendy Meyer

From: Nathan Harder <nathanharder@gmail.com>
Sent: Tuesday, September 27, 2016 6:33 AM
To: Wendy Meyer
Subject: stepping down from P&Z

Good morning Wendy,

I wanted to let you know that I will need to step down from my position on the Planning and Zoning commission due to plans of moving to Bolivia in the near future.

Thanks to you and other commission members for your patience with me!

- Nathan Harder

CITY OF MOUNTAIN LAKE, MN

ORDINANCE #10-16

AN ORDINANCE AMENDING MOUNTAIN LAKE CITY CODE

CHAPTER 2 ADMINISTRATION AND GENERAL GOVERNMENT

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

Be it ordained by the City Council of the City of Mountain Lake that Subdivision 3 of Section 2.13 be amended with that addition of Paragraph B, which reads as follows:

B. Compensation for attending out-of-town meetings of less than four (4) hours shall be \$40; out-of-town meetings over four (4) hours shall be \$80.

Adopted by the Mountain Lake City Council this 3rd day of October 2016.

Mike Nelson, Mayor

ATTEST:

Wendy Meyer, Clerk/Administrator

Published in the Mt. Lake Observer/Butterfield Advocate on October 12, 2016.

Unpaid Utility Bill to be Considered for Attachment to Property Taxes

Sept. 22 Utility Commission

Oct. 3 City Council

Account # 4390-00-2

Renter

Total Unpaid Bill \$1,198.92

Unpaid Water and Sewer to be Assessed \$1,198.92

205.185 PROCEDURE.

Subdivision 1. **Materials, ballots.** The municipal clerk shall prepare and have printed the necessary election materials, including ballots, for a municipal election.

Subd. 2. **Election, conduct.** A municipal election shall be by secret ballot and shall be held and the returns made in the manner provided for the state general election, except as expressly provided by law.

Subd. 3. **Canvass of returns, certificate of election, ballots, disposition.** (a) Between the third and tenth days after an election, the governing body of a city conducting any election including a special municipal election, or the governing body of a town conducting the general election in November shall act as the canvassing board, canvass the returns, and declare the results of the election. The governing body of a town conducting the general election in March shall act as the canvassing board, canvass the returns, and declare the results of the election within two days after an election.

(b) After the time for contesting elections has passed, the municipal clerk shall issue a certificate of election to each successful candidate. In case of a contest, the certificate shall not be issued until the outcome of the contest has been determined by the proper court.

(c) In case of a tie vote, the canvassing board having jurisdiction over the municipality shall determine the result by lot. The clerk of the canvassing board shall certify the results of the election to the county auditor, and the clerk shall be the final custodian of the ballots and the returns of the election.

Subd. 4. **Recount.** A losing candidate at a municipal election may request a recount of the votes for that office subject to the requirements of section 204C.36.

History: 1983 c 62 s 9; 1999 c 132 s 34; 1Sp2001 c 10 art 18 s 37; 2004 c 293 art 2 s 37,38; 2010 c 194 s 22

Sat. Fri.
Nov. 12 - Nov. 18

33

**City of Mountain Lake
Snow Removal Policy
Reviewed and Approved 10-19-15**

1. Introduction

The City of Mountain Lake believes that it is in the best interest of the residents for the City to assume basic responsibility for control of snow and ice on the city streets. Reasonable ice and snow control is necessary for routine travel and emergency services. The City will provide such control in a safe and cost effective manner, keeping in mind safety, budget, personnel and environmental concerns. The City will use city employees, equipment and/or private contractors to provide this service.

2. Public Notification

- a. Beginning Oct. 1 of each year residents shall be notified of City Ordinances 11.06, 11.03 Subd. 10 and this policy regarding snow emergencies, street parking during a snow emergency, and the ticketing and towing of vehicles left on city streets during a snow emergency.
- b. Notices will be placed in the October utility bill, on the city's website, on the public access cable channel, in the Mt. Lake official city newspaper, on the local media outlets, and by other suitable means as determined by city staff.
- c. During the month of November the police department will place notices on cars left on city streets between the hours of midnight and 6 am as time and workload permits.

3. Procedures

- a. The Street Department Superintendent will call a snow emergency when the following conditions are present on city streets: snow, freezing rain, sleet, ice or snow drifts, or other natural phenomenon which create or are likely to create hazardous road conditions.
- b. In most cases a snow emergency will begin at 12:01 a.m. Unless there are reasons to the contrary, a snow emergency will be declared at least three hours prior to the beginning of the snow emergency.
- c. The Street Department Superintendent will notify the police department and local media immediately following the declaration of a snow emergency.
- d. By ordinance the snow emergency parking ban will begin at 12:01 a.m. and continue to 3 p.m. Ticketing and towing will begin after 12:01 a.m.

4. Method of snow removal

Snow will be plowed in a manner so as to minimize any traffic obstructions. Snow will be plowed from inside out except where it is windrowed and these areas are specified in item #5. In times of extreme snowfall, streets will not always immediately be able to be completely cleared of snow.

5. Snow Removal and Schedule

- a. Remove snow from emergency vehicle garage doorways at the Fire/Ambulance Hall and City Hall.

- b. Start windrowing on 10th Street from 1st Avenue to 4th Avenue
- c. Plow the entire length of 10th Street
- d. Next windrow 3rd Avenue from 8th Street to 12th Street
- e. Plow 3rd Avenue (CR 27) from east Hwy 60 entrance to west Hwy 60 entrance
- f. Next windrow 11th Street from 4th Avenue to 2nd Avenue
- g. Next windrow 2nd Avenue from 10th Street to 12th Street
- h. Clean around the schools and 4th Avenue, then 5th Avenue, 6th Avenue, 7th Avenue, Prince Street, 9th Avenue, 10th Avenue, Midway Road
- i. Next area is South of railroad tracks, which includes Boxelder Street, Mountain Lake Road, etc.
- j. Meanwhile the snowplow truck is doing the north-south roads starting with 15th Street continuing west until they reach Golf Course Road.
- k. Then alleys and parking lots are done.

The Street Department Superintendent will determine when snow will be removed by truck from the area. Such snow removal will occur in areas where there is no room on the boulevard for snow storage and in areas where accumulated piles of snow create a hazardous condition. Snow removal operations will not commence until other operations have been completed. Snow removal operations may be delayed depending on weather conditions and personnel availability. The snow will be removed and hauled to a snow storage area. The snow storage area will be located as to minimize environmental problems.

The City has classified city streets based on the importance and the welfare of the community. These are streets of the city that provide access for emergency fire, police and medical services.

The second priority streets are those streets providing access to schools and commercial businesses. The third priority streets are low volume residential streets. The fourth priority areas are alleys and city parking lots. Once the snow is hauled away we will start to sand the streets and clean sidewalks and alleys.

6. Work Schedule for Snow Plow Operators

Snowplow operators will be expected to work eight-hour shifts. In severe snow emergencies, operators sometimes may have to work in excess of eight-hour shifts. However, because of budget and safety concerns, no operators shall work more than a twelve (12) hour shift in any twenty four (24) hour period. Operators will take a fifteen (15) minute break every two (2) hours and with a half hour meal break after four (4) hours. After a twelve (12) hour day, the operators will be replaced if additional qualified personnel are available.

7. Weather Conditions

Snow and ice control operations will be conducted only when weather conditions do not endanger the safety of city employees and equipment. Factors that may delay snow and ice control operations include, severe cold, significant winds and limited visibility.

8. Use of Salt Sand and Other Chemicals

The City will use sand, salt and other chemicals when there is hazardous ice or slippery conditions. The City is concerned about the effect of such chemicals on the environment and will limit its use for that reason.

9. Sidewalks

The City will maintain the following sidewalks: City hall, street department sidewalks, community center, fire hall, library, city park, light plant, former water treatment plant and finally the water tower. As there are a limited number of personnel available the city will only maintain these sidewalks after the streets have been plowed.

10. Parking Lots, Entrances, and Driveways

Responsibility for private parking lots, entrances to lots and driveways shall rest with the individual property owners. This includes the clearing of additional snow that may accumulate once the city plows have gone by.

City snow plowing crews will be responsible for plowing the City Hall parking lot and the downtown municipal lot. All other parking lots plowed by the city will be billed at an hourly rate.

11. Placement of Snow on Public Property or Obstructing Views

In accordance with the provisions of the City code and state law it is unlawful for any person to place snow or ice upon public property, including public streets. Furthermore, cleared snow shall be piled and accumulated in a manner, which does not block visibility of drivers on public streets and alleys or cause other hazardous conditions. The Street Department Superintendent shall have the authority to notify property owners who violate this section, and shall require them to remedy the situation.

12. Property Damage

The City recognizes that on occasion private property is damaged during snow and ice control operations. Where this happens it shall be the policy of the City to handle damages in the following manner:

1. Mailboxes. Where mailboxes are placed adjacent to the street, it shall be the policy of the City that snow shall be plowed as close as practicable to the curb to allow for passage of traffic and mail delivery. It shall be the responsibility of the property owner to keep piled snow away from mailboxes so mail can be delivered.

Where damage to mailboxes occurs, the Street Department Superintendent shall investigate such damage. Where evidence indicates that physical contact occurred between the plow and the mailbox the City would assume responsibility for repair.

2. Boulevard Sod. It shall be the policy of the City to repair any damage to sod where curbs are in place by:

- a. Street maintenance will repair the damage by re-laying the turned up pieces or placing black dirt and grass seed

- b. The property owner may elect to do the repair using commercial sod. The City will reimburse the property owner the cost of the sod (no labor costs will be reimbursed). Reimbursement must be approved by the City Administrator prior to the commencement of the corrective work or purchasing of the sod. The property owner shall supply an estimate of the cost of the sod. After approval by the City administrator the property owner must present an invoice to the Administrator before payment will be made.
- 3. Curbs. Concrete curbs will not be replaced unless the curb back is broken.
- 4. Driveway Ramps. The City will not repair damage caused to driveway ramps of fillets where mountable curb is in place, unless authorized by either the City Administrator or the Street Department Superintendent.

13. Parking Restrictions During Winter Months

Parking in the downtown commercial district shall be prohibited between the hours of 2:00 A.M. and 6:00 A.M. between the dates of November 15 and April 15.

14. Automatic Parking Ban After Snowfall

No person shall park or leave standing any vehicle upon any street in the City of Mountain Lake between midnight and 3 p.m. after the declaration of a snow emergency.

Any motor vehicle parked in violation of this section is deemed to be a nuisance that interferes with snow removal from public rights-of-way. Any Police Officer may remove any such vehicle by means of towing or other means in order to facilitate proper snow removal.

15. Annual Review of Snow Removal Policy and Procedures

The City Council shall annually review and adopt by resolution the City's Snow Removal Policy and Operational Guidelines during a regularly scheduled meeting in October.

AGREEMENT

THIS AGREEMENT made and entered into by the County of Cottonwood, Minnesota, hereinafter referred to as the “**County**” and the City of Mt.Lake, Minnesota, hereinafter referred to the “**City**”.

WHEREAS, Pursuant to Minnesota Statutes of 2002, Section 162.17, Subdivision 3, the parties desire to enter into an agreement relating to the routine maintenance certain County State Aid Roadways as listed below, upon the terms and conditions hereinafter set forth.

NOW THEREFORE, The parties do agree as follows:

SECTION I

The City will, during the term of the agreement, do the routine winter maintenance on those portions County State Aid Highways listed as follows:

<u>CSAH Number</u>	<u>Termini</u>	<u>Centerline Miles</u>
27	On 3 rd Avenue from west Jct. TH 60 to Jct. TH 30	2.19
29	On 10 th Street From CSAH 27 to Mt. Lake outlet Bridge	0.81
	Total	3.00

SECTION II

The routine maintenance to be performed by the City shall consist of the following:

- A. Keep the aforesaid portions of County State Aid Highways reasonably free and clear from ice and snow and undertake proper sanding/salting and hauling of snow when necessary. It shall be the City’s responsibility to maintain the fluid traffic lanes to their full width during the winter months within a reasonable period of time following each storm. The County will assist with the sanding/salting at the two intersections with State Highway 60.
- B. Furnish all labor, materials and other items necessary for the performance of the work provided for in this agreement.

SECTION III

The routine maintenance to be performed by the County shall consist of the following:

- A. Maintain said County roads so as to keep them smooth and in good repair for the passage of traffic.
- B. Do all extraordinary maintenance (such as seal coats, overlays, crack sealing) construction or reconstruction.
- C. Maintain all traffic signs, striping, and other marking according to the Minnesota Manual on Uniform Traffic Control Devices.

SECTION IV

A. Compensation

The County will pay the City for snow and ice control operations as specified in Section I and II of this agreement, the amount of One Thousand Two Hundred Dollars (1,200.00) per center line mile.

On this basis the County will reimburse the City for 3.00 miles of roadway the total Amount of \$3600.00 for the year 2016-2017.

B. Terms of Payment

The City shall submit an invoice by November 1st to Cottonwood County Highway Department for the services provided in November and December 2016. The city shall submit another invoice by January 1st to the Cottonwood County Highway Department For services provided in January, February, and March of 2017. Payment will be made within thirty (30) days after receipt of the invoice.

This agreement shall terminate on the 31st day March, 2017, provided, however, the parties may extend this agreement on a year basis, or modify the maintenance cost. However, a new agreement shall be executed by the parties if major terms of the agreement are to be changed.

IN TESTIMONY WHEREOF, The City and the County have caused these presents to be executed by their respected officers.

CITY OF MT.LAKE

ATTEST:

SIGNED:

By _____
City Clerk

By _____
Mayor

Date _____

Date _____

COUNTY OF COTTONWOOD

ATTEST:

SIGNED:

By _____
County Auditor

By _____
Chairperson of County Board

Date _____

Date _____

RECOMMENDED FOR APPROVAL:

County Engineer

Date _____

Approved as to form and execution

Cottonwood County Attorney

Date _____