

**Mountain Lake City Council Meeting**  
**Mountain Lake City Hall**  
**Monday, November 7, 2016**  
**6:30 PM**

**AGENDA**

1. Meeting called to order by Mayor Mike Nelson
  - \* Further information on agenda item is attached
  
2. Approval of Agenda and Consent Agenda
  - a. Approval of Bills: Check #'s 9919292 - 9919345, 457-458E\*(1-6)  
Payroll #'s 62762-62792
  - b. Approval of October 17 Council Minutes\*(7-9)
  - c. Approval of September 20 Police Commission Minutes\*(10)
  - d. Approval of October 13 Utilities Commission Minutes\*(11-12)
  - e. Approval of October 14 Economic Development Authority Minutes\*(13-14)
  - f. Appoint Gary Hildebrandt to Tree Commission
  - g. Accept Resignation of Brian Lunz, Part-time Police Officer\*(15)
  
3. Public – A total of ten (10) minutes is allotted for individuals to briefly discuss a topic of concern with the Council.
  
4. Electric Revenue Bonds, Series 2017A, Tammy Omdal, Northland Securities
  - a. Finance Plan\*(16-27)
  - b. Resolution #28-16 Approving Issuance of Bonds\*(28-30)
  
5. New Industrial Park, Next Steps, Rob Anderson, EDA
  
6. Library, Carol Lehman, Library Director, Adoption of Plum Creek Library System Agency Agreement
  - a. 2001 Agreement Currently in Effect(31-36)
  - b. Proposed New Agreement\*(37-41)
  - c. Cottonwood County Library Aid Distribution\*(42)
  
7. Award Bid, Grading and Site Preparation, New Sub-Station – bid summary will be available at meeting
  
8. Police Department, Chief Doug Bristol

- a. Dispatch Agreement Changes\*(43-50)
  - b. Part-time Officer Update
9. Recreational Use of PIN 22.610.0040, Luke Winger\*(51)
10. Ordinance 11-16, Amendment of Section 3.05, Subdivision 7, Paragraph E\*(52-53)
11. Revision of Drug and Alcohol Policy\*(54-57)
12. Administrator
- a. Close City Hall Friday, November 25
  - b. FYI - Wind Turbine Production – separate packet
  - c. FYI - Small Cities Development Program Tracking Report\*(58)
  - d. FYI – 3<sup>rd</sup> Quarter Mt. Lake Public School Pool Billing\*(59)
13. Preparation for Union Negotiations – Meeting May be Closed.
14. Adjourn

## **UPCOMING MEETINGS**

**Monday, November 14<sup>th</sup> 5:30 PM, City Hall, Canvass City Election Returns**

**Tuesday, November 15<sup>th</sup> 9AM – 1PM, City Hall, “Mountain Lake 2016”** The Mountain Lake Economic Development Authority (EDA) and community leaders will be writing a Community and Economic Development Plan that lays out a vision and a direction for the community for the next 10 years with specific and measurable outcomes. Invited participants, including the council, have been asked to complete an on-line survey prior to the event.

CITY OF MOUNTAIN LAKE

\*Check Detail Register©

November 7, 2016  
mtg  
CK #9919292-9919345  
457E-458E

October 2016 to November 2016

	Check Amt	Invoice	Comment
<b>10100 United Prairie</b>			
Paid Chk# 9919292 10/27/2016 AFLAC			
G 101-21713 AFLAC	\$192.74		
Total AFLAC	\$192.74		
Paid Chk# 9919293 10/27/2016 AFSCME COUNCIL 65			
G 101-21707 Union Dues	\$154.86		
Total AFSCME COUNCIL 65	\$154.86		
Paid Chk# 9919294 10/27/2016 BCBS/HSA			
G 101-21714 HSA	\$793.85		
Total BCBS/HSA	\$793.85		
Paid Chk# 9919295 10/27/2016 COMMISSIONER OF REVENUE			
G 101-21702 State Withholding	\$742.54		
Total COMMISSIONER OF REVENUE	\$742.54		
Paid Chk# 9919296 10/27/2016 GISLASON & HUNTER			
G 101-21712 Garnishments	\$362.72		
Total GISLASON & HUNTER	\$362.72		
Paid Chk# 9919297 10/27/2016 INTERNAL REVENUE SERVICE			
G 101-21701 Federal Withholding	\$1,693.29		
G 101-21703 FICA Tax Withholding	\$2,241.84		
Total INTERNAL REVENUE SERVICE	\$3,935.13		
Paid Chk# 9919298 10/27/2016 PERA			
G 101-21704 PERA	\$4,113.88		
Total PERA	\$4,113.88		
Paid Chk# 9919299 10/27/2016 SW/WC SERVICE COOPERATIVES			
G 101-21708 Employee Paid Health Insurance	\$1,169.90		
Total SW/WC SERVICE COOPERATIVES	\$1,169.90		
Paid Chk# 9919300 10/27/2016 VALIC			
G 101-21705 VALIC	\$388.00		
Total VALIC	\$388.00		
Paid Chk# 9919301 11/4/2016 CARCHIOUS RODNEY			
E 608-46330-401 Repairs/Maint Buildings	\$39.60		OCTOBER MAINTENANCE AT APTS
E 607-46330-401 Repairs/Maint Buildings	\$20.40		OCTOBER MAINTENANCE AT APTS
Total CARCHIOUS RODNEY	\$60.00		
Paid Chk# 9919302 11/4/2016 DARON J. FRIESEN			
E 609-46330-402 Repairs/Maint- Ground	\$230.00		MOWING AT MASON MANOR
E 608-46330-402 Repairs/Maint- Ground	\$145.20		MOWING AT HERITAGE ESTATES
E 607-46330-402 Repairs/Maint- Ground	\$74.80		MOWING AT HERITAGE ESTATES
Total DARON J. FRIESEN	\$450.00		
Paid Chk# 9919303 11/4/2016 ST JAMES ELECTRIC			
E 235-46340-401 Repairs/Maint Buildings	\$192.58		FIX TWO LIGHTS & REPLACE BALLAST-FULDA CREDIT UNION BLDG
Total ST JAMES ELECTRIC	\$192.58		
Paid Chk# 9919304 11/14/2016 COMMISSIONER OF REVENUE			
G 101-21702 State Withholding	\$27.88		



CITY OF MOUNTAIN LAKE

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October 2016 to November 2016

			Check Amt	Invoice	Comment
<b>Total</b>		<b>COMMISSIONER OF REVENUE</b>	<b>\$27.88</b>		
Paid Chk#	9919305	11/14/2016	<b>INTERNAL REVENUE SERVICE</b>		
	G 101-21701	Federal Withholding	\$52.10		
	G 101-21703	FICA Tax Withholding	\$652.78		
<b>Total</b>		<b>INTERNAL REVENUE SERVICE</b>	<b>\$704.88</b>		
Paid Chk#	9919306	11/4/2016	<b>MUNICIPAL UTILITIES</b>		
	E 101-00000-430	Miscellaneous	\$1,208.34		GEN-3RD QUARTER SAFETY TRAINING
	E 101-43100-308	Training & Instruction	\$725.00		ST-3RD QUARTER SAFETY TRAINING
	E 101-45200-308	Training & Instruction	\$241.67		PARKS-3RD QUARTER SAFETY TRAINING
	E 101-46200-308	Training & Instruction	\$241.67		CEMETERY-3RD QUARTER SAFETY TRAINING
<b>Total</b>		<b>MUNICIPAL UTILITIES</b>	<b>\$2,416.68</b>		
Paid Chk#	9919307	11/4/2016	<b>LEAGUE OF MN CITIES-FINANCE</b>		
	E 101-41400-433	Dues and Subscriptions	\$2,382.00		ANNUAL DUES
<b>Total</b>		<b>LEAGUE OF MN CITIES-FINANCE</b>	<b>\$2,382.00</b>		
Paid Chk#	9919308	11/4/2016	<b>CITIZEN PUBLISHING</b>		
	E 101-41400-200	Office Supplies	\$42.00		1 YEAR OBSERVER SUBSCRIPTION-OFFICE
<b>Total</b>		<b>CITIZEN PUBLISHING</b>	<b>\$42.00</b>		
Paid Chk#	9919309	11/4/2016	<b>CITIZEN PUBLISHING</b>		
	E 211-45500-430	Miscellaneous	\$85.60		LIBRARY MISC
<b>Total</b>		<b>CITIZEN PUBLISHING</b>	<b>\$85.60</b>		
Paid Chk#	9919310	11/4/2016	<b>FRONTIER</b>		
	E 211-45500-321	Telephone	\$65.58		LIBRARY PHONE-507-427-2506
<b>Total</b>		<b>FRONTIER</b>	<b>\$65.58</b>		
Paid Chk#	9919311	11/4/2016	<b>INDOFF INCORPORATED</b>		
	E 211-45500-200	Office Supplies	\$53.73		LIBRARY OFFICE SUPPLIES
<b>Total</b>		<b>INDOFF INCORPORATED</b>	<b>\$53.73</b>		
Paid Chk#	9919312	11/4/2016	<b>ADVANCED SYSTEMS INC</b>		
	E 101-42100-200	Office Supplies	\$308.00	503860	PD-YEARLY CONTRACT ON SAVIN 301SPF
<b>Total</b>		<b>ADVANCED SYSTEMS INC</b>	<b>\$308.00</b>		
Paid Chk#	9919313	11/4/2016	<b>AMAZON</b>		
	E 211-45500-590	Capital Outlay Books	\$18.11		LIBRARY BOOKS
	E 211-45500-592	A.V. Materials	\$127.59		LIBRARY AV
<b>Total</b>		<b>AMAZON</b>	<b>\$145.70</b>		
Paid Chk#	9919314	11/4/2016	<b>BERKLEY RISK ADMINISTRATORS CO</b>		
	E 101-00000-430	Miscellaneous	\$1,000.00		DEDUCTIBLE-TED JANZEN CLAIM
<b>Total</b>		<b>BERKLEY RISK ADMINISTRATORS CO</b>	<b>\$1,000.00</b>		
Paid Chk#	9919315	11/4/2016	<b>BOUND TREE MEDICAL</b>		
	E 231-42154-210	Operating Supplies	\$52.36	82301688	CURAPLEX TRAUMA BAG-AMB
<b>Total</b>		<b>BOUND TREE MEDICAL</b>	<b>\$52.36</b>		
Paid Chk#	9919316	11/4/2016	<b>CARDMEMBER SERVICE</b>		
	E 101-00000-430	Miscellaneous	\$19.98		CODE 42 SOFTWARE-DAILY BACKUP FEE
	E 101-42100-260	Recruitment	\$199.00	9/19	PD-AD FOR PART-TIME OFFICER
	E 101-42100-308	Training & Instruction	\$91.71	9/28	PD-TARGETS
<b>Total</b>		<b>CARDMEMBER SERVICE</b>	<b>\$310.69</b>		

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**\*Check Detail Register©**

October 2016 to November 2016

		Check Amt	Invoice	Comment
<b>Paid Chk# 9919317 11/4/2016 CINDY JOHNSON</b>				
E 235-46340-401	Repairs/Maint Buildings	\$245.00	331794	CLEANING AT FULDA CREDIT UNION BLDG
<b>Total CINDY JOHNSON</b>		<b>\$245.00</b>		
<b>Paid Chk# 9919318 11/4/2016 CITIZEN PUBLISHING</b>				
E 101-41400-351	Legal Notices Publishing	\$38.50	10/15/16	ORDINANCE #10-16
E 101-41400-351	Legal Notices Publishing	\$61.60	10/5/16	ORDINANCE #9-16
E 101-41400-351	Legal Notices Publishing	\$30.00	10/5/16	SALE OF PROPERTY HEARING
<b>Total CITIZEN PUBLISHING</b>		<b>\$130.10</b>		
<b>Paid Chk# 9919319 11/4/2016 DEMCO, INC</b>				
E 211-45500-200	Office Supplies	\$270.81		LIBRARY OFFICE SUPPLIES
<b>Total DEMCO, INC</b>		<b>\$270.81</b>		
<b>Paid Chk# 9919320 11/4/2016 DENNIS HULZEBOS</b>				
E 101-45186-400	Janitor-Repairs/Maint	\$250.00		NOV MAINT AT SR CTR
E 211-45500-400	Janitor-Repairs/Maint	\$345.00		NOV MAINT AT LIBRARY
<b>Total DENNIS HULZEBOS</b>		<b>\$595.00</b>		
<b>Paid Chk# 9919321 11/4/2016 DOUG BRISTOL</b>				
E 101-42100-430	Miscellaneous	\$23.98	10/14/16	RECHARGEABLE BATTERIES
<b>Total DOUG BRISTOL</b>		<b>\$23.98</b>		
<b>Paid Chk# 9919322 11/4/2016 DUININCK</b>				
E 101-43121-224	Street Maint Materials	\$598.03	524392	STREET MATERIALS
<b>Total DUININCK</b>		<b>\$598.03</b>		
<b>Paid Chk# 9919323 11/4/2016 FRONTIER</b>				
E 101-41400-321	Telephone	\$190.16		CITY HALL PHONE-427-2999
E 101-42100-321	Telephone	\$219.70		POLICE DEPT PHONE-427-3403
E 101-43100-321	Telephone	\$68.40		STREET DEPT PHONE-427-2997
E 101-45186-321	Telephone	\$63.80		SR CTR PHONE-427-2151
E 205-46500-321	Telephone	\$37.50		EDA PORTION OF DSL & 427-2999
E 205-46500-321	Telephone	\$5.04		CHAMBER 800#
E 101-00000-430	Miscellaneous	\$98.45		UT-PHONE
<b>Total FRONTIER</b>		<b>\$683.05</b>		
<b>Paid Chk# 9919324 11/4/2016 GREATAMERICA FINANCIAL SVCS</b>				
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
<b>Total GREATAMERICA FINANCIAL SVCS</b>		<b>\$140.49</b>		
<b>Paid Chk# 9919325 11/4/2016 INDOFF INCORPORATED</b>				
E 101-43100-200	Office Supplies	\$24.35	2856308	ST-PLANNER REFILL,CALENDAR
E 101-41400-200	Office Supplies	\$136.31	2856308	OFFICE-STAPLES,3 RING BINDERS,CALENDAR
E 205-46500-200	Office Supplies	\$25.85	2856308	EDA-APPOINTMENT BOOK & CALENDAR
E 101-41400-200	Office Supplies	(\$119.02)	2859398	BINDERS RETURNED
E 101-41400-200	Office Supplies	\$20.08	2859399	OFFICE-POST-IT NOTES
E 101-41400-200	Office Supplies	\$2.98	2860744	CALCULATOR RIBBON
E 101-42100-200	Office Supplies	\$110.27	2863853	PD-LABELER
E 101-41400-200	Office Supplies	\$17.74	2863854	BINDER CLIPS,MONTHLY INDEXED GUIDES
<b>Total INDOFF INCORPORATED</b>		<b>\$218.56</b>		

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CITY OF MOUNTAIN LAKE

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October 2016 to November 2016

			Check Amt	Invoice	Comment
Paid Chk#	9919326	11/4/2016	JOHN YSKER		
E 101-43240-111	Contract		\$250.00		NOV DUMP SALARY
	<b>Total JOHN YSKER</b>		<b>\$250.00</b>		
Paid Chk#	9919327	11/4/2016	KENNEDY & GRAVEN, CHARTERED		
E 101-45210-304	Legal Fees		\$252.00		YODER LEGAL FEES
	<b>Total KENNEDY &amp; GRAVEN, CHARTERED</b>		<b>\$252.00</b>		
Paid Chk#	9919328	11/4/2016	LAKER GRILL		
E 205-46500-430	Miscellaneous		\$36.43	10/17/16	10-17-16 MEETING
	<b>Total LAKER GRILL</b>		<b>\$36.43</b>		
Paid Chk#	9919329	11/4/2016	LEAGUE OF MN CITIES-FINANCE		
E 101-41400-308	Training & Instruction		\$45.00		REGIONAL MEETING-WENDY
	<b>Total LEAGUE OF MN CITIES-FINANCE</b>		<b>\$45.00</b>		
Paid Chk#	9919330	11/4/2016	MACQUEEN EQUIPMENT		
E 101-43100-404	Repairs/Maint Machinery/Equip		\$4,015.66	W00225	WORK ON PELICAN STREET SWEEPER
	<b>Total MACQUEEN EQUIPMENT</b>		<b>\$4,015.66</b>		
Paid Chk#	9919331	11/4/2016	MINNESOTA ENERGY RESOURCE CORP		
E 101-41400-383	Gas Utilities		\$90.16		CITY HALL GAS-ACCT#4346780-2
E 221-42200-383	Gas Utilities		\$38.29		FIRE DEPT PORTION OF FIREHALL GAS-ACCT#4296165-6
E 231-42154-383	Gas Utilities		\$18.86		AMB PORTION OF FIREHALL GAS-ACCT#4296165-6
E 101-43100-383	Gas Utilities		\$59.19		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		\$42.47		SR CTR GAS-ACCT#4010846-6
	<b>al MINNESOTA ENERGY RESOURCE CORP</b>		<b>\$301.86</b>		
Paid Chk#	9919332	11/4/2016	MINNESOTA MUTUAL LIFE		
E 101-42100-135	Employer Paid Other		\$1.70		NOV BRIAN LUNZ LIFE INSURANCE
E 101-42100-134	Employer Paid Life		\$6.80		NOV LIFE INS-POLICE DEPT
E 101-41400-134	Employer Paid Life		\$1.70		NOV WENDY FAST-LAKER APTS-LIFE INS
E 211-45500-134	Employer Paid Life		\$1.70		NOV LIFE INS-LIBRARY
E 101-43100-134	Employer Paid Life		\$3.06		NOV LIFE INS-ST DEPT
E 101-41400-134	Employer Paid Life		\$3.40		NOV LIFE INS-OFFICE
E 101-45200-134	Employer Paid Life		\$1.02		NOV LIFE INS-PARKS DEPT
E 101-46200-134	Employer Paid Life		\$1.02		NOV LIFE INS-CEMETERY
E 205-46500-134	Employer Paid Life		\$1.70		NOV LIFE INS-EDA ROB ANDERSON
G 101-21706	Hospitalization/Medical Ins		\$25.30		NOV LIFE INS-ROBB ANDERSON
G 101-21706	Hospitalization/Medical Ins		\$10.90		NOV LIFE INS-DARON FRIESEN
G 101-21706	Hospitalization/Medical Ins		\$12.00		NOV LIFE INS-STEVE PETERS
	<b>Total MINNESOTA MUTUAL LIFE</b>		<b>\$70.30</b>		
Paid Chk#	9919333	11/4/2016	MOUNTAIN LAKE PUBLIC SCHOOL		
E 211-45500-590	Capital Outlay Books		\$35.00		SCHOOL ANNUAL
	<b>Total MOUNTAIN LAKE PUBLIC SCHOOL</b>		<b>\$35.00</b>		
Paid Chk#	9919334	11/4/2016	MUNICIPAL UTILITIES		
E 101-45200-380	Elec,Water,Sewer		\$103.17		LAWCON PARK
E 101-41400-380	Elec,Water,Sewer		\$329.74		CITY HALL UT
E 101-45200-380	Elec,Water,Sewer		\$124.77		CITY PARK RESTROOMS UT
E 101-45186-380	Elec,Water,Sewer		\$391.04		SR CTR UT
E 101-43100-380	Elec,Water,Sewer		\$191.51		ST DEPT UT
E 221-42200-380	Elec,Water,Sewer		\$111.29		FIRE DEPT PORTION OF FIREHALL UT

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E 231-42154-380	Elec,Water,Sewer		\$54.81		AMB PORTION OF FIREHALL UT
E 211-45500-380	Elec,Water,Sewer		\$304.50		LIBRARY UT
E 607-46330-380	Elec,Water,Sewer		\$5.00		4-PLEX PORTION OF ST LITE ON HERITAGE DRIVE
E 608-46330-380	Elec,Water,Sewer		\$9.71		8-PLEX PORTION OF ST LITE ON HERITAGE DRIVE
E 101-45183-380	Elec,Water,Sewer		\$819.30		UT AT CAMPGROUND
E 101-45200-380	Elec,Water,Sewer		\$150.43		UT AT CITY PARK SHELTERHOUSE
E 205-46500-380	Elec,Water,Sewer		\$240.46		FINAL BILL 212 10TH ST N-FORMER CUSTOM MOTORS BLDG
<b>Total MUNICIPAL UTILITIES</b>			<b>\$2,835.73</b>		
<b>Paid Chk# 9919335 11/4/2016 MUSKE, MUSKE, SURHOFF</b>					
E 101-41400-304	Legal Fees		\$1,400.00		NOVEMBER LEGAL RETAINER
E 101-41400-304	Legal Fees		\$943.68		ADDITIONAL LEGAL FEES
<b>Total MUSKE, MUSKE, SURHOFF</b>			<b>\$2,343.68</b>		
<b>Paid Chk# 9919336 11/4/2016 NICK NAXAY</b>					
R 101-45204-33417	Homeowner Tree Payments		\$50.00		REFUND - TREE REMOVAL
<b>Total NICK NAXAY</b>			<b>\$50.00</b>		
<b>Paid Chk# 9919337 11/4/2016 NORTHLAND SECURITIES</b>					
E 332-47000-430	Miscellaneous		\$500.00	4667	CALL RESOLUTION-CITY HALL BOND
<b>Total NORTHLAND SECURITIES</b>			<b>\$500.00</b>		
<b>Paid Chk# 9919338 11/4/2016 NORTHLAND TRUST SERVICES</b>					
E 320-41940-602	Other Long-Term Oblig Princ al		\$170,000.00		PRINC-PAY OFF CITY HALL BOND
E 320-41940-611	Bond Interest		\$3,687.50		INTEREST-PAY OFF CITY HALL BOND
<b>Total NORTHLAND TRUST SERVICES</b>			<b>\$173,687.50</b>		
<b>Paid Chk# 9919339 11/4/2016 PETERSON DRUG &amp; GIFTS</b>					
E 231-42154-210	Operating Supplies		\$48.10	9/29/16	AMB DEPT-HEALTH NEEDS
<b>Total PETERSON DRUG &amp; GIFTS</b>			<b>\$48.10</b>		
<b>Paid Chk# 9919340 11/4/2016 PRAXAIR</b>					
E 231-42154-210	Operating Supplies		\$147.12	74651401	OXYGEN FOR AMBULANCE
E 231-42154-210	Operating Supplies		\$79.80	74745205	OXYGEN FOR AMBULANCE
E 231-42154-210	Operating Supplies		\$172.67	74819979	OXYGEN FOR AMBULANCE
<b>Total PRAXAIR</b>			<b>\$399.59</b>		
<b>Paid Chk# 9919341 11/4/2016 SW/WC SERVICE COOPERATIVES</b>					
E 101-42100-131	Employer Paid Health		\$3,224.16		DEC HEALTH INS-POLICE DEPT
E 101-41400-131	Employer Paid Health		\$2,458.84		DEC HEALTH INS-OFFICE
E 101-43100-131	Employer Paid Health		\$2,212.96		DEC HEALTH INS-ST DEPT
E 101-45200-131	Employer Paid Health		\$737.66		DEC HEALTH INS-PARKS DEPT
E 211-45500-131	Employer Paid Health		\$1,229.42		DEC HEALTH INS-LIBRARY
E 101-46200-131	Employer Paid Health		\$737.64		DEC HEALTH INS-CEMETERY
E 205-46500-131	Employer Paid Health		\$1,229.42		DEC HEALTH INS-EDA
E 101-42100-135	Employer Paid Other		\$420.50		DEC HEALTH INS-BRIAN LUNZ
<b>Total SW/WC SERVICE COOPERATIVES</b>			<b>\$12,250.60</b>		
<b>Paid Chk# 9919342 11/4/2016 THIRD AVENUE AUTO PARTS</b>					
E 101-43100-404	Repairs/Maint Machinery/Equip		(\$2.31)		CREDIT
E 101-43100-215	Shop Supplies		\$11.09	S156260	SUCTION GUN
E 101-45183-401	Repairs/Maint Buildings		\$27.54	S156613	CAMPGROUND-ANTI-FREEZE
E 101-43100-215	Shop Supplies		\$5.58	S156642	WASHER FLUID
E 101-43100-212	Motor Fuels		\$533.96	S156656	55GAL 15W40 OIL
E 101-43100-401	Repairs/Maint Buildings		\$7.78	S156734	GASKET,FLOAT VALVE-CYCLONE RAKE
E 101-43100-404	Repairs/Maint Machinery/Equip		\$9.28	S156815	AIR FILTER,CLEANER-SHOP VAC

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**\*Check Detail Register©**

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			Check Amt	Invoice	Comment
E 101-43100-404	Repairs/Maint Machinery/Equip		\$4.08	S156929	SHARPEN CHAIN SAW BLADE
E 221-42200-404	Repairs/Maint Machinery/Equip		\$4.86	S156945	OIL FOR FIRE DEPT GENERATOR
<b>Total THIRD AVENUE AUTO PARTS</b>			<b>\$601.86</b>		

<b>Paid Chk# 9919343</b>	<b>11/4/2016</b>	<b>TOWNS EDGE AUTO</b>			
E 101-42100-406	Vehicle Maint/Gen Repairs		\$77.23	77277	CHANGE OIL,FILTER & GREASE-PD EXPEDITION
<b>Total TOWNS EDGE AUTO</b>			<b>\$77.23</b>		

<b>Paid Chk# 9919344</b>	<b>11/4/2016</b>	<b>VERIZON</b>			
E 101-42100-321	Telephone		\$9.05		POLICE CELL PHONE
E 231-42154-321	Telephone		\$9.66		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		\$35.07		AMB JET PACK
<b>Total VERIZON</b>			<b>\$123.82</b>		

<b>Paid Chk# 9919345</b>	<b>11/4/2016</b>	<b>WESTERN COMMUNITY ACTION</b>			
E 202-46300-434	Project Expense		\$38,945.00		GRANT-HOUSING
<b>Total WESTERN COMMUNITY ACTION</b>			<b>\$38,945.00</b>		
<b>10100 United Prairie</b>			<b>\$259,925.68</b>		

**Fund Summary**

<b>10100 United Prairie</b>		
101 GENERAL FUND		\$40,886.05
202 2014 SMALL CITIES DEVELOP PROG		\$38,945.00
205 ECONOMIC DEVELOPMENT AUTHORITY		\$1,582.02
211 LIBRARY FUND		\$2,589.93
221 FIRE DEPT FUND		\$154.44
231 AMBULANCE FUND		\$618.45
235 SW HOUSING GRANT		\$437.58
320 EDA - CITY HALL FUND		\$173,687.50
332 2002 STREET IMPROV		\$500.00
607 EDA----4 PLEX FUND		\$100.20
608 EDA----8 PLEX FUND		\$194.51
609 EDA-- MASON MANOR		\$230.00
		<b>\$259,925.68</b>

<b>Paid Chk# 000457E</b>	<b>10/21/2016</b>	<b>SELECT ACCOUNT</b>			
E 101-41400-141	Admin Fees-HSA		\$4.22		HSA ADMIN FEES
E 101-42100-141	Admin Fees-HSA		\$8.44		HSA ADMIN FEES
E 205-46500-141	Admin Fees-HSA		\$2.11		HSA ADMIN FEES
E 211-45500-141	Admin Fees-HSA		\$2.11		HSA ADMIN FEES
E 101-43100-141	Admin Fees-HSA		\$3.80		HSA ADMIN FEES
E 101-45200-141	Admin Fees-HSA		\$1.27		HSA ADMIN FEES
E 101-46200-141	Admin Fees-HSA		\$1.26		HSA ADMIN FEES
<b>Total SELECT ACCOUNT</b>			<b>\$23.21</b>		

<b>Paid Chk# 000458E</b>	<b>10/31/2016</b>	<b>UNITED PRAIRIE BANK</b>			
E 460-46300-510	Land		\$342,361.68		STEVE PANKRATZ FOR 26.10 ACRES LAND-MONEY WIRED TO GISLASON FOR PAYMENT
<b>Total UNITED PRAIRIE BANK</b>			<b>\$342,361.68</b>		

6



**DRAFT**  
**Mountain Lake City Council Meeting**  
**Mountain Lake City Hall**  
**Monday, October 17, 2016**  
**6:30 PM**

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

Members Absent: None

Staff Present: Rob Anderson, EDA Director; Marva Ott, EDA Assistant; Wendy Meyer, Clerk/Administrator; Maryellen Suhrhoff, City Attorney, Muske, Muske, and Suhrhoff

Others Present: Tammy Omdal, Northland Securities; EDA Board Advisory Members Brad Hanson and Dean Janzen; EDA Board Member Mark Hanson; Cheryl Hiebert, Mt. Lake Observer/Butterfield Advocate; Steve Pankratz, Sharon Pankratz, Sharron Hanson; Jason Kruser; Doug Regehr, and Allen Rahn

**Call to Order**

The council meeting was called to order at 6:30 PM by Mayor Mike Nelson. Motion by Kass, seconded by Kruser, to adopt the agenda and the consent agenda as presented. Motion carried unanimously.

Bills: Check #'s 9919242 - 9919291, 454-456E

Payroll #'s 62732-62761

October 3 Council Minutes

September 22 Utilities Commission Minutes

September 12 Lake Commission Minutes

September 9 Economic Development Authority Minutes

July 14 Tree Commission Minutes

September 14 Library Board Minutes, September Library Report & Expenditures

Resolution # 26-16, Resolution to Permit Gambling

**Public**

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

**New Industrial Park**

The city is considering the purchase of 26.1 acres at a cost of \$342,000 immediately southwest of the city, north of Hwy. 60 and east of CR#27 for a new industrial park. The property is currently owned by the Mabel Pankratz Trust. An updated preliminary cost estimate prepared by Bolton and Menk to install surfaced roads, curb and gutter, water, sanitary sewer, and storm sewer on the property was reviewed by Rob Anderson EDA Director. The cost difference between a 44' roadbed and a 38' roadbed was noted. Tammy Omdal reviewed details of the proposed bond sale that would be used to fund the land purchase and provided some information on a future bond sale to finance the infrastructure. The presentation included the impact of the land and the infrastructure debt on property taxes for residential and commercial properties in best and worst case scenarios. Several businesses have expressed an interest in locating in the new industrial park. Various aspects of installing infrastructure in 2017 were discussed. Lot costs and incentives were considered. Both Anderson and Omdal noted that businesses want 'shovel-ready' sites and both spoke to the risks and rewards of purchasing and developing the industrial park. Motion by Savage, seconded by Ysker, to authorize the signing of the Advisory Service Agreement with Northland Securities. Motion carried. Motion by Ysker, seconded by Savage, to purchase the parcel and authorize the signing of the purchase agreement. Voting Aye: Nelson, Savage, and Ysker. Voting Nay: Kass, and Kruser. Motion carried. Motion by Savage, seconded by Ysker, to adopt Resolution #25-16 Calling for the Issuance and Sale of \$366,000 Taxable General Obligation Tax Abatement Bonds. Voting Aye: Nelson, Savage, and Ysker. Voting Nay: Kass, and Kruser.

#### **Public Utilities**

Motion by Kass, seconded by Ysker, to adopt Resolution #27-16 Attaching Unpaid Utility Bills. Motion carried unanimously.

#### **2016 Budget Review**

Fund balances, and expenses and revenues for the first three quarters of the year were reviewed and discussed. The effect of electric rate increases on the city's budget was noted.

#### **Guaranteed Energy Savings Program (GESP) Contract Extension**

The final report has been prepared by McKinstry but will not be presented until MN Department of Commerce staff has reviewed it. Motion by Savage, seconded by Ysker, to approve the six month contract extension. Motion carried unanimously.

#### **Utility Insured Cash Sweep**

The city moved to Insured Cash Sweep (ICS) a different way of providing collateral tracking (pledging) for city accounts at United Prairie Bank on April 1. United Prairie is now requesting that the municipal utility an ICS account separate from the city's. Motion by Kass, seconded by Kruser, to authorize a utility Insured Cash Sweep account. Motion carried unanimously.

#### **Public Nuisance Update**

The council was updated on abatement efforts for a parcel on Third Avenue.

**Preparation for Union Negotiations**

Motion by Savage, seconded by Kruser, to close the meeting at 7:24 PM and opened the closed meeting pursuant to MN Statutes 179.01 – 179A.25 to consider union contact negotiation strategies. Motion carried unanimously. Motion by Kass, seconded by Kruser, to close the close meeting and open the open meeting at 7:56 PM. Motion carried unanimously.

**Adjourn**

The meeting was adjourned at 7:57PM.

ATTEST:

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Wendy Meyer, Clerk/Administrator



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## Police Commission Minutes

1 message

Sun, Oct 9, 2016 at 7:02 PM

Police Commission Meeting  
September 20, 2016

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

Zuercher Report: 143 total calls in August

Old Business: Part time officer- an ad will run in the Mankato Free Press until Oct. 21 and also ran an online ad.

New Business: ordered snow tires for the new SUV. We hope to get 2 winter out of them.

Approximately 10,600 miles on the new squad SUV, 82,000 on the Explorer

M/A Chuck/Sue

Respectfully submitted  
Norm Kunkel

*Cottonwood County bus*



Mt. Lake Utilities Commission  
Commission Meeting  
Thursday, October 13, 2016  
7AM

Members Present: Commissioners Todd Johnson, Mike Johnson, Mark Langland, Brett Lohrenz

Members Absent: Commissioner John Carrison, Council Liaison David Savage

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

Others Present: None

**Call to Order**

The meeting was called to order at 7 AM.

**Approval of September 22 Minutes and Check Numbers 16561 – 16605**

Motion by M. Johnson, seconded by T. Johnson, to approve the minutes and bills. Motion carried unanimously.

**Electric Dept. Updates**

The power plant tuck-pointing is finished. There was a brief discussion on siding the building. Work on the sub-station continues. The site preparation bids will be opened on November 4 and awarded at the council's November 7 meeting. An electronic copy of the bids will be provided to the commission.

**Water/Wastewater Dept. Updates**

Jet-rodder repairs have been completed. Two re-built pumps were purchased to replace the Lawcon Lift Station pump that dates from 1977.

**Attach Unpaid Utility Bills to Property Taxes**

Motion by Lohrenz, seconded by M. Johnson, to recommend to the council that unpaid bills for accounts 15940-08-7, 4310-01-3, and 4170-00-4 be attached to the property taxes for collection. Motion carried unanimously.

**Sub-station Bonding Options, Series 2017A**

The four options prepared by Northland Securities, Inc. were reviewed and discussed. The four options offered two terms, 15 or 20 years; and a level bond payment over the term (no restructuring of principal) or a lower payment through 2023 when Electric Bonds 2009B are paid in full at which time the 2017A bond payments would increase significantly (restructuring of

principal). Milk Specialties Global (MSG) has installed 900 HP of new equipment and intends to install another 1000 in late summer/early fall of 2017. A rate study recently completed by Missouri River Energy Services (MRES) recommended a 4% increase for the remainder of 2016 and a 4.5% increase in each of the years 2017, 2018, 2019. The commission considered the amount of profit that should be generated by MSG's increased power purchases depending when the final 1000 HP is installed, the facility's load factor, and the electric rates. The sale of excess capacity could also be a source of revenue. Cover ratios, the cost of borrowing money, and amount to be deposited into the Debt Service Reserve Fund (DSRF) were also discussed. The bonds would be callable. Motion by Lohrenz, seconded by M. Johnson, to structure the bonds with a 20 year term and a restructuring of capital. Motion carried unanimously.

#### **Theft of Electricity, Current Ordinance Subdivision 7 Unlawful Acts**

The current ordinance was review. The theft of utilities is a misdemeanor under city code, but difficult to prosecute in court. A possible amendment to the ordinance that would disconnect and fine the account if a theft occurred was discussed. The appropriate fine size was discussed. The matter will be discussed at the next meeting.

#### **Homeowners Throwing Meters Away**

During the 2016 construction season the water meter radio reads were thrown away at three houses being sided. Staff is looking at ways to educate the public so this no longer happens. Cost to replace is around \$125 and is billed to the homeowner.

#### **Mt. Lake's Current Solar Ordinance and Windom's Recently Adopted Solar Ordinance**

The ordinances were discussed. Staff feels the Mt. Lake ordinance is sufficient. No changes are recommended.

#### **Other**

A 'Christmas at the Village' solicitation, the establishment of a separate Utility Insured Cash Sweep, and a ham tower on 13<sup>th</sup> St. S. were briefly discussed.

#### **Adjourn**

The meeting was adjourned at 7:53AM.

**Approved by the Commission October 27, 2016.**

ATTEST:

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Wendy Meyer, Clerk/Administrator

12



REGULAR MEETING  
ECONOMIC DEVELOPMENT AUTHORITY  
October 14, 2016  
12:00 Noon

PRESENT: Mark Hanson, Vern Peterson, Darla Kruser, Brian Harder, Steve Syverson and Dean Janzen, Brad Hanson and Clara Johnson, Advisories  
ABSENT: Jerry Haberman and Mike Nelson  
STAFF PRESENT: Rob Anderson and Marva Ott  
CITY ADMINISTRATOR: Wendy Meyer  
GUESTS: Cheryl Hiebert, Observer/Advocate; Allen Rahn; and Chuck Stevenson of UPB.

1. Call to Order: Mark called the meeting to order.
2. Consent Agenda. Motion made and seconded by Steve and Brian to approve the Consent Agenda. Carried.
3. Mark then closed the EDA meeting and opened the Public Hearing on the Sale of Lot 1 Block 1 on County Road 1 to the Utilities for a new substation. No comments made either for or against the sale. Public Hearing was then closed and Mark re-opened the EDA meeting. Motion made and seconded to approve the sale of the lot. Motion carried.
4. Consider Resolution Calling for the Redemption of Revenue Bonds Series 2008A for City Hall building: After brief discussion explaining the resolution a motion was made and seconded by Vern and Brian to authorize the resolution. Motion carried.
5. Industrial Park: Rob explained why the city needs to acquire the land instead of the EDA since it's currently outside of city limits. Rob stated that the resolution for bonding was approved by the city council on 10-3-16 but the Purchase Agreement was not approved. The council needed additional information on the cost of infrastructure and how much the taxpayers costs would go up before they would approve. Rob presented that information to the EDA board including costs of a 38 foot road compared to a 44 foot road. He also gave them information about the tax increase on properties which would include the land purchase and infrastructure. Rob also told the board that there is a private developer who may be interested and his name is Dale Friesen. He would like to be involved some way and will be putting a proposal together for the city council meeting on Monday night. Rob encouraged board members to attend that meeting whether they supported it or not. Several questions were asked and Rob stated that Tammy Omdahl would be at the city council meeting to answer financial questions.
6. Balzer:
  - a. Watkins property-Purchase agreement would be for 6 years at 5% interest. This will be subject to an agreement between Balzer and the EDA which needs to be finalized yet. Balzer would be responsible for mowing, maintenance, etc. Motion made and seconded by Brian and Vern to approve the Purchase Agreement with Watkins contingent upon an agreement with Balzer being obtained. Motion carried with Mark abstaining from the vote.

7. 2016 Strategic Planning Session- date was rescheduled to November 15<sup>th</sup> from 9:00-1:00. Lunch will be provided. EDA, City Council and Chamber boards will be invited along with staff. Need to limit to 25 people.
8. TIF Redevelopment District: nothing new to report but still working with Sanford. Vern stated that Dr. Harder is retiring at the end of the year so we need to find a way to recruit a new doctor to town.
9. General Discussion:
  - a. Lakeview Estates Lots-letters were sent to Puente's and Dick's with no response. Taxes were paid on the lot by Puente's but not on the Café. The board discussed doing another spec house but no action. Discussed how St. James banks were doing incentive loans. Rob was directed to find out how they are doing this.
  - b. Fulda Credit Union-they are moving into the building and set to open next week. There was a water leak on the north wall coming from the windows of the Care & Share building. Care and Share is checking into getting this fixed.
  - c. Custom Motors-they were served on 9-21-16 but a court date has not been set yet. Continue pursuing this action.
  - d. Lori Puente property taxes on café- She owes \$3,290.24 on 2016 taxes and is in violation of her contract for deed. Rob was directed to contact Lori and see what her plans are. We may need to re-do the contract to include taxes. We also need to check the language on the contract about financials and ask her for them if we can. Motion made and seconded by Brian and Steve to pay the taxes on Monday and have Rob talk to Lori today. Carried.
  - e. Pop'd Kerns-still having water leaks along with flooring issues. We will continue to monitor the situation.
  - f. Odell Wind Farm-Rob was asked to serve on the Community Fund Grant Review Board for the wind farm.
  - g. Next meeting is November 11<sup>th</sup> but that is Veteran's Day so date will be November 4<sup>th</sup>.
  - h. Other-daycare cash flow was presented to the board. First loan payment is due November 1<sup>st</sup>. She has 14 kids with 4 full time and a lot of interest from Windom Prime Pork employees. This will be tight for her to make payments in November with her current numbers.
  - i. Art Ellingson wants to fix up the former city hall building to be used by the Observer/Advocate business. He would like to apply for a small cities grant to do remodeling for this. Board agreed this was ok for him to do.

11. Nothing further. Meeting adjourned at 1:02.



Received 10/18/2016  
Hand delivered - DJB

City of Mountian Lake  
Mountain Lake Police Department

Chief Doug Bristol

I am writing to you to inform you that I am tendering my resignation from the Mountain Lake Police Department. I also wish to advise you

that my last day of employment with the police department will be on the 1st of November 2016

I would also like to say that I enjoyed my time working with the Mountain Lake Police Department and have appreciated the support that has

been provided to me during my tenure.

Yours sincerely

*Brian Lunz*

Brian Lunz

## Wendy Meyer

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**From:** Tammy Omdal <tomdal@northlandsecurities.com>  
**Sent:** Thursday, October 27, 2016 1:54 PM  
**To:** Wendy Meyer (wmeyer@mountainlakemn.com)  
**Cc:** Trent Wells  
**Subject:** Mt Lake Elec Rev Bonds - Documents for Nov 7 CC meeting  
**Attachments:** Mt Lake Trigger.doc; Mt Lake Finance Plan Elec Rev 2017A.pdf

Wendy,

Please find attached a resolution and finance plan for the sale of the Mountain Lake Electric Revenue Bonds, Series 2017A. Based on the current calendar, the City Council will consider adopting the "trigger" resolution at the November 7 meeting. I am planning to attend the November 7 meeting.

You will note that the trigger resolution includes a maximum amount of \$2,500,000. We estimated this amount to provide the City with flexibility. Based on the current estimate of \$2,000,000 for construction proceeds, the actual size of the bond issuance is presently estimated to be \$2,260,000 (includes funding project costs, all costs of issuance, and debt service reserve fund). You will note the finance plan is based on the \$2,260,000 estimate. If you wish to reduce the "maximum" amount in the resolution please let me know.

Let me know if you have any questions or comments.

### Tammy Omdal

Senior Vice President, Manager of Northland Strategies



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# Finance Plan

City of Mountain Lake, Minnesota

\$2,260,000

Electric Revenue Bonds, Series 2017A

November 7, 2016



45 South 7th Street, Suite 2000

Minneapolis, MN 55402

612-851-5900 800-851-2920

[www.northlandsecurities.com](http://www.northlandsecurities.com)

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## Executive Summary

The following is a summary of the recommended terms for the issuance of \$2,260,000 Electric Revenue Bonds, Series 2017A (the "Bonds" or "2017A Bonds"). Additional information on the proposed finance plan and issuing process can be found after the Executive Summary, in the Issue Overview and Attachment 3 - Related Considerations.

<b>Purpose</b>	Proceeds from the Bonds will be used to fund construction of a new substation and improvements to five electricity generators to meet federal air quality standards.
<b>Security</b>	The City will pledge net revenues of the City's electric utility for payment of the Bonds. The full faith and credit of the City <u>are not</u> pledged for payment of the Bonds.
<b>Repayment Term</b>	The Bonds will mature annually each December 1 in the years 2017 - 2036. Interest on the Bonds will be payable on June 1, 2017 and semiannually thereafter on each June 1 and December 1.
<b>Estimated Interest Rate</b>	Average coupon: 3.12% True interest cost (TIC): 3.28%
<b>Prepayment Option</b>	Bonds maturing on and after December 1, 2026 will be subject to redemption on December 1, 2025 and any day thereafter at a price of par plus accrued interest.
<b>Rating</b>	The Bonds will be non-rated.
<b>Tax Status</b>	The Bonds will be tax-exempt, bank qualified obligations.
<b>Risk Factors</b>	There are certain risks associated with all debt. Risk factors related to the Bonds are discussed in Attachment 5.
<b>Type of Bond Sale</b>	Negotiated sale
<b>Pricing Date</b>	Wednesday, January 11, 2017
<b>Council Consideration</b>	Tuesday, January 17, 2017

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## Issue Overview

### Purpose

Proceeds from the Bonds will be used to fund construction of a new substation and improvements to five electricity generators to meet federal air quality standards. The Bonds have been sized based on estimates from City staff. The table below contains the sources and uses of funds and preliminary interest rates for the bond issue.

### Sources & Uses

Dated 02/07/2017 | Delivered 02/07/2017

Sources Of Funds	
Par Amount of Bonds	\$2,260,000.00
<b>Total Sources</b>	<b>\$2,260,000.00</b>
Uses Of Funds	
Total Underwriter's Discount (1.960%)	44,296.00
Costs of Issuance	8,500.00
Deposit to Debt Service Reserve Fund (DSRF)	203,209.22
Deposit to Project Construction Fund	2,000,000.00
Rounding Amount	3,994.78
<b>Total Uses</b>	<b>\$2,260,000.00</b>

### Authority

The Bonds will be issued pursuant to the authority of Minnesota Statutes, Chapters 475 and 453.

### Structure

The Bonds have been structured around the City's outstanding electric revenue debt, including CREB Revenue Bond, Series 2007B; Electric Revenue Bonds, Series 2009B; and Electric Revenue Refunding Bonds, Series 2012C (the "Outstanding Bonds").

The proposed structure for the bond issue and preliminary debt service projections are illustrated in Attachment 1. Principal payments on the bonds is lower in years 2017 through 2023 (compared to future years), while the City's existing electric revenue debt is being paid off, and then increases through 2036 (final payment year) at level annual payments.

### Security and Source of Repayment

The finance plan relies on the following assumptions for the revenues used to pay debt service, as provided by City staff:

- Utility Revenues. Net revenues of the City's electric utility will be pledged for payment of the Bonds. These same revenues are also pledged to payment of the Outstanding Bonds. The City will covenant to institute electric rates and charges that are sufficient to produce net revenues equal to at least 125% of the debt service requirements on the Bonds and the Outstanding Bonds. Based on audited 2015 net revenues of the electric utility, coverage is expected to be approximately 140% after issuance of the Bonds as illustrated in Attachment 2.

### Plan Rationale

The Finance Plan recommended in this report is based on a variety of factors and information provided by the City related to the financed project and City objectives, Northland's knowledge

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of the City and our experience in working with similar cities and projects. The issuance of Electric Revenue Bonds provides the best means of achieving the City's objectives and cost effective financing. The City has successfully issued and managed this type of debt for previous projects.

**Issuing Process**

The City has engaged Northland to act as underwriter for the Bonds pursuant to federal securities regulations. Northland will purchase the Bonds in an "arm's length" negotiated sale. The City has chosen this approach for a variety of reasons, including flexibility in timing, ability of the underwriter to explain the Bonds to investors and cultivate investor interest in the issue in advance of the sale, certainty of underwriting commitment and transparency of pricing process. The calendar of events for the issuing process can be found in Attachment 4.

In authorizing the issuance, the City Council will adopt a trigger (parameters) resolution. The resolution authorizes the Mayor and the City Administrator to execute a bond purchase agreement when the True Interest Cost of the Bonds is less than 4.00%. The bond purchase agreement will be ratified by the City Council at its next meeting. This approach gives the City greater flexibility in selling the Bonds when market conditions produce the desired results, rather than accepting the conditions that exist on a specific Council meeting date.

**Underwriter:** Northland Securities, Inc.

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

**Paying Agent:** Northland Trust Services, Inc.



## Attachment 1 - Preliminary Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/07/2017	-	-	-	-	-
06/01/2017	-	-	21,166.00	21,166.00	-
12/01/2017	35,000.00	1.950%	33,420.00	68,420.00	89,586.00
06/01/2018	-	-	33,078.75	33,078.75	-
12/01/2018	20,000.00	1.950%	33,078.75	53,078.75	86,157.50
06/01/2019	-	-	32,883.75	32,883.75	-
12/01/2019	20,000.00	1.950%	32,883.75	52,883.75	85,767.50
06/01/2020	-	-	32,688.75	32,688.75	-
12/01/2020	20,000.00	1.950%	32,688.75	52,688.75	85,377.50
06/01/2021	-	-	32,493.75	32,493.75	-
12/01/2021	20,000.00	1.950%	32,493.75	52,493.75	84,987.50
06/01/2022	-	-	32,298.75	32,298.75	-
12/01/2022	20,000.00	1.950%	32,298.75	52,298.75	84,597.50
06/01/2023	-	-	32,103.75	32,103.75	-
12/01/2023	20,000.00	2.200%	32,103.75	52,103.75	84,207.50
06/01/2024	-	-	31,883.75	31,883.75	-
12/01/2024	100,000.00	2.200%	31,883.75	131,883.75	163,767.50
06/01/2025	-	-	30,783.75	30,783.75	-
12/01/2025	140,000.00	2.350%	30,783.75	170,783.75	201,567.50
06/01/2026	-	-	29,138.75	29,138.75	-
12/01/2026	145,000.00	2.500%	29,138.75	174,138.75	203,277.50
06/01/2027	-	-	27,326.25	27,326.25	-
12/01/2027	150,000.00	2.650%	27,326.25	177,326.25	204,652.50
06/01/2028	-	-	25,338.75	25,338.75	-
12/01/2028	150,000.00	2.750%	25,338.75	175,338.75	200,677.50
06/01/2029	-	-	23,276.25	23,276.25	-
12/01/2029	155,000.00	2.850%	23,276.25	178,276.25	201,552.50
06/01/2030	-	-	21,067.50	21,067.50	-
12/01/2030	160,000.00	2.950%	21,067.50	181,067.50	202,135.00
06/01/2031	-	-	18,707.50	18,707.50	-
12/01/2031	170,000.00	3.100%	18,707.50	188,707.50	207,415.00
06/01/2032	-	-	16,072.50	16,072.50	-
12/01/2032	175,000.00	3.200%	16,072.50	191,072.50	207,145.00
06/01/2033	-	-	13,272.50	13,272.50	-
12/01/2033	180,000.00	3.300%	13,272.50	193,272.50	206,545.00
06/01/2034	-	-	10,302.50	10,302.50	-
12/01/2034	185,000.00	3.450%	10,302.50	195,302.50	205,605.00
06/01/2035	-	-	7,111.25	7,111.25	-
12/01/2035	195,000.00	3.550%	7,111.25	202,111.25	209,222.50
06/01/2036	-	-	3,650.00	3,650.00	-
12/01/2036	200,000.00	3.650%	3,650.00	203,650.00	207,300.00
<b>Total</b>	<b>\$2,260,000.00</b>	<b>-</b>	<b>\$961,543.50</b>	<b>\$3,221,543.50</b>	<b>-</b>

### Date And Term Structure

Dated	2/07/2017
Delivery Date	2/07/2017
First available call date	12/01/2025
Call Price	100.000%
Average Coupon	3.1198011%
Net Interest Cost (NIC)	3.2635229%
True Interest Cost (TIC)	3.2786922%
All Inclusive Cost (AIC)	3.3141164%

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## Attachment 2 - Preliminary Coverage Ratios

Date	Principal	Coupon	Interest	Total P+I	DSR	Existing D/S	Net New D/S	Estimated Coverage
12/01/2017	35,000.00	1.950%	54,586.00	89,586.00	-	241,945.00	331,531.00	1.40
12/01/2018	20,000.00	1.950%	66,157.50	86,157.50	-	245,341.00	331,498.50	1.40
12/01/2019	20,000.00	1.950%	65,767.50	85,767.50	-	247,482.00	333,249.50	1.39
12/01/2020	20,000.00	1.950%	65,377.50	85,377.50	-	244,547.00	329,924.50	1.41
12/01/2021	20,000.00	1.950%	64,987.50	84,987.50	-	246,391.00	331,378.50	1.40
12/01/2022	20,000.00	1.950%	64,597.50	84,597.50	-	247,799.00	332,396.50	1.40
12/01/2023	20,000.00	2.200%	64,207.50	84,207.50	-	248,831.00	333,038.50	1.39
12/01/2024	100,000.00	2.200%	63,767.50	163,767.50	-	39,007.00	202,774.50	2.29
12/01/2025	140,000.00	2.350%	61,567.50	201,567.50	-	-	201,567.50	2.30
12/01/2026	145,000.00	2.500%	58,277.50	203,277.50	-	-	203,277.50	2.28
12/01/2027	150,000.00	2.650%	54,652.50	204,652.50	-	-	204,652.50	2.27
12/01/2028	150,000.00	2.750%	50,677.50	200,677.50	-	-	200,677.50	2.31
12/01/2029	155,000.00	2.850%	46,552.50	201,552.50	-	-	201,552.50	2.30
12/01/2030	160,000.00	2.950%	42,135.00	202,135.00	-	-	202,135.00	2.30
12/01/2031	170,000.00	3.100%	37,415.00	207,415.00	-	-	207,415.00	2.24
12/01/2032	175,000.00	3.200%	32,145.00	207,145.00	-	-	207,145.00	2.24
12/01/2033	180,000.00	3.300%	26,545.00	206,545.00	-	-	206,545.00	2.25
12/01/2034	185,000.00	3.450%	20,605.00	205,605.00	-	-	205,605.00	2.26
12/01/2035	195,000.00	3.550%	14,222.50	209,222.50	-	-	209,222.50	2.22
12/01/2036	200,000.00	3.650%	7,300.00	207,300.00	(203,209.22)	-	4,090.78	113.48
<b>Total</b>	<b>\$2,260,000.00</b>	<b>-</b>	<b>\$961,543.50</b>	<b>\$3,221,543.50</b>	<b>(203,209.22)</b>	<b>\$1,761,343.00</b>	<b>\$4,779,677.28</b>	

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## Attachment 3 - Related Considerations

### Bank Qualification

We understand the City (in combination with any subordinate taxing jurisdictions or debt issued in the City's name by 501(c)3 corporations) anticipates issuing \$10,000,000 or less in tax-exempt debt during the 2017 calendar year. Therefore the Bonds will be designated as "bank qualified" obligations pursuant to Federal Tax Law.

### Arbitrage Compliance

The Bonds are expected to qualify for the "small issuer" exemption related to arbitrage rebate.

Other aspects of arbitrage regulations will apply to the investment of bond proceeds and the debt service fund.

Project/Construction Fund. All tax-exempt bond issues are subject to federal rebate requirements which require all arbitrage earned to be rebated to the U.S. Treasury. A rebate exemption the City expects to qualify for is the "small issuer" exemption because the City expects to issue less than \$5,000,000 of tax-exempt bonds, including any 501(c)3 conduit financings, in calendar year 2017.

Debt Service Fund. The City must maintain a bona fide debt service fund for the Bonds or be subject to yield restriction in the debt service fund. A bona fide debt service fund involves an equal matching of revenues to debt service expense with a balance forward permitted equal to the greater of the investment earnings in the fund during that year or 1/12 of the debt service of that year.

The City should become familiar with the various Arbitrage Compliance requirements for this bond issue. The Resolution for the Bonds prepared by Bond Counsel explains the requirements in greater detail.

### Continuing Disclosure

Type: Full

Dissemination Agent: Northland Securities

The requirements for continuing disclosure are governed by SEC Rule 15c2-12. The primary requirements of Rule 15c2-12 actually fall on underwriters. The Rule sets forth due diligence needed prior to the underwriter's purchase of municipal securities. Part of this requirement is obtaining commitment from the issuer to provide continuing disclosure. The document describing the continuing disclosure commitments (the "Undertaking") is contained in the Official Statement that will be prepared to offer the Bonds to investors.

The City has more than \$10,000,000 of outstanding debt and is required to undertake "full" continuing disclosure. Full disclosure requires annual posting of the audit and a separate continuing disclosure report, as well as the reporting of certain "material events." Material events set forth in the Rule, including, but not limited to, bond rating changes and call notices, must be reported within ten days of occurrence. The report contains annual financial information and operating data that "mirrors" material information presented in the Official Statement. The specific contents of the annual report will be described in the Undertaking that appears in the appendix of the Official Statement. Northland currently serves as dissemination agent for the City, assisting with the annual reporting. The information for the Bonds will be incorporated into our reporting.

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### Premiums

In the current market environment, it is likely that the proposed pricing will include premiums. A premium occurs when the underwriter pays the City an amount in excess of the par amount of a maturity in exchange for a higher coupon (interest rate). The use of premiums reflects the underwriter's view on future market conditions, tax considerations for investors and other factors. Ultimately, the true interest cost ("TIC") calculation will indicate the overall cost to the City, regardless of premium.

A premium price produces additional funds that can be used in several ways:

- The premium means that the City needs less bond proceeds and can reduce the size of the issue by the amount of the premium.
- The premium can be deposited in the Construction Fund and used to pay additional project costs, rather than used to reduce the size of the issue.
- The premium can be deposited in the Debt Service Fund and used to pay principal and interest.

Northland will work with City staff on the sale day to determine use of premium (if any).

### Rating

The Bonds will not be rated.



## Attachment 4 - Calendar of Events

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.*

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

January 2017						
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				

February 2017						
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				

Date	Action	Responsible Party
October 31	"Trigger" resolution sent to City for Council Packets	Northland, Bond Counsel
November 7	City Council adopts "trigger" resolution	City Council Action, Northland
December 12	Preliminary Official Statement sent to City for review	Northland, City
December 22	Utility Commission reviews Finance Plan	Northland, Utility Commission
January 6	Preliminary Pricing Call	Northland, City, Pricing Opinion MA
January 10	Confirm Preliminary Pricing	Northland, City, Pricing Opinion MA
January 11	Final Bond Pricing Bond Purchase Agreement signed	Northland, City
January 17	Authorizing Resolution Adopted - 6:30 p.m.	City Council Action, Northland, Bond Counsel
February 7	Closing on the Bonds (Proceeds available)	Northland, City Staff, Bond Counsel



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## Attachment 5 - Risk Factors

Utility Revenues: The City pledges the net revenues of the Electric Utility to the payment of principal and interest on the Bonds. The failure to adjust rates and charges as needed and the loss of significant customers could affect available net revenues. Other changes, such as regulatory changes or unforeseen problems with the utility, could negatively impact net revenues available for debt service. Since the City's general obligation pledge does not secure these Bonds, bondholders will be relying on the City maintaining all of the revenue covenants in the bond resolution, including debt service coverage of at least 125% from net electric utility revenues.

General: In addition to the risks described above, there are certain general risks associated with the issuance of bonds. These risks include, but are not limited to:

- Failure to comply with covenants in bond resolution.
- Failure to comply with Undertaking for continuing disclosure.
- Failure to comply with IRS regulations, including regulations related to use of the proceeds and arbitrage/rebate. The IRS regulations govern the ability of the City to issue its bonds as tax-exempt securities and failure to comply with the IRS regulations may lead to loss of tax-exemption.

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

HELD: Monday, November 7, 2016

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Mountain Lake, State of Minnesota, was duly held on Monday, November 7, 2016 at 6:30 p.m.

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

**RESOLUTION APPROVING THE ISSUANCE OF  
ELECTRIC REVENUE BONDS, SERIES 2017A**

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

1. The City Council hereby finds and declares that it is necessary and expedient for the City to sell and issue its fully registered electric revenue bonds in the total aggregate principal amount not to exceed \$2,500,000 (herein, the "Bonds"). The proceeds of the Bonds will be used to finance equipment to expand capacity of the City's electric utility and the costs of issuing the Bonds.
2. The City Council desires to proceed with the sale of the Bonds by direct negotiation with Northland Securities, Inc. (herein, "NSI"). NSI will purchase the Bonds in an arm's-length commercial transaction with the City.
3. The Mayor and City Administrator are hereby authorized to approve the sale of the Bonds in an aggregate principal amount not to exceed \$2,500,000 and to execute a bond purchase agreement for the purchase of the Bonds with NSI, provided the true interest cost is less than 4.00%.
4. Upon approval of the sale of the Bonds by the Mayor and the City Administrator the City Council will take action at its next regularly scheduled or special meeting thereafter to adopt the necessary approving resolutions as prepared by the City's bond counsel.
5. NSI is authorized to prepare an Official Statement related to the sale of the Bonds.
6. If the Mayor and the City Administrator have not approved the sale of the bonds to NSI and executed the related bond purchase agreement by February 28, 2017, this resolution shall expire.

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

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

**CERTIFICATION OF MINUTES  
RELATING TO ELECTRIC REVENUE BONDS,  
SERIES 2017A**

ISSUER: City of Mountain Lake, Minnesota

BODY: City Council

KIND, DATE, TIME AND PLACE OF MEETING:

A regular meeting held on Monday, November 7, 2016, at 6:30 p.m., in the City Offices

MEMBERS PRESENT:

MEMBERS ABSENT:

Documents Attached: Extract of Minutes of said meeting.

**RESOLUTION APPROVING THE ISSUANCE OF  
ELECTRIC REVENUE BONDS, SERIES 2017A**

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the obligations referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said obligations; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS MY HAND officially as such recording officer on November 7, 2016.

\_\_\_\_\_  
City Administrator



## PLUM CREEK LIBRARY SYSTEM AGENCY AGREEMENT

This contract made this 1<sup>st</sup> day of January, 2001 by and between the following named library boards of Public Libraries, hereinafter called parties of the first part, such parties of the first part being as follows, to wit:

Runals Memorial Library, (Edgerton)  
Fulda Memorial Library  
Ivanhoe Public Library  
Jackson Public Library  
Lake Benton Public Library  
Lamberton Public Library  
Marshall-Lyon County Library  
Minneota Public Library  
Morgan Public Library  
Mountain Lake Public Library  
Nobles County Library  
Pipestone Community Library  
Redwood Falls Public Library  
Rock County Community Library (Luverne)  
Slayton Public Library  
Tracy Public Library  
Tyler Public Library  
Wabasso Public Library  
Westbrook Public Library  
Windom Public Library

And the following named Counties of the State of Minnesota, hereinafter called parties of the second part, such parties of the second part being as follows, to wit:

Cottonwood County  
Jackson County  
Lincoln County  
Lyon County  
Murray County  
Nobles County  
Pipestone County  
Redwood County  
Rock County

And the following named cities or towns of the State of Minnesota, having a library and levying a separate tax for public library services, hereinafter called parties of the third part, such parties of the third part being as follows, to wit:

Edgerton, Fulda, Ivanhoe, Jackson, Lake Benton, Lamberton, Luverne, Marshall, Minneota, Morgan, Mountain Lake, Pipestone, Redwood Falls, Slayton, Tracy, Tyler, Wabasso, Westbrook, and Windom.

WHEREAS, it is official state policy to encourage planning and development of public services on a regional level; and

WHEREAS, each of the parties of the first part operate Public Library services in their respective service areas under the provision of Minnesota Statutes, Sections 134.09 through 134.15, and Sections 375.33; and

WHEREAS, this Library Service Agency contract is authorized under the provisions of Minnesota Statutes 134.11 and 134.12, Subd. 2; and

WHEREAS, the parties of the first part by a library service agency contract dated May 28, 1974, did create the public library service known as Plum Creek Library System.

WHEREAS, the parties are mutually agreed that a regionally supported library service agency is of great benefit to all of the existing public library services and has a strong potential for extending public library services into areas presently lacking such services, and

WHEREAS, certain matters not covered by the original library service agency contract and which should be so covered have come to the attention of the parties herein and certain new laws and regulations have been enacted so that the parties hereto deem it advisable that the contract of July 1, 1979, which replaced the original contract of May 28, 1974, be amended,

NOW, THEREFORE, it is agreed by and between the parties that the existing Plum Creek Library System Agency Contract be amended in its entirety to provide as follows:

## **I. BOARD OF TRUSTEES**

### **A. MEMBERSHIP.**

The Board of Trustees of the Plum Creek Library System shall consist of two representatives from each signatory county. One of these representatives will be appointed by the County Commissioners. The second of these representatives will be chosen from among the board members of the participating libraries.

In counties serving a population of greater than 15,000 residents, an additional representative will be selected from the member libraries' boards. The boards of the member libraries from each county will meet jointly to determine the method of selecting these representatives.

When this new agreement is ratified, all active, current Board members will serve out their present terms, with any changes taking effect as new members are appointed.



## B. TERM OF OFFICE

Members appointed by County Commissioners shall be appointed for a term of one year; and members selected from Library Boards shall be appointed for a term of three years. The membership shall be such that an approximately equal number of terms shall be expiring each year. No Plum Creek Library System Board Member shall serve for more than nine consecutive years. Any Board Member who has served a full nine years may return to the board after at least one year of non-membership. In the event any member shall cease to be a member of a local or county library board, said member shall resign and a replacement shall be appointed by the appropriate library board for the remainder of the term. Any Trustee who is unable to attend regularly scheduled board meetings for more than two consecutive meetings shall notify the appointing authority, which shall appoint either an alternate or a replacement as it may deem appropriate.

## C. DUTIES OF BOARD OF TRUSTEES

### 1. MEETINGS.

The Board of Trustees shall be the Governing Board of the Plum Creek Library System and shall hold regular meetings at such time and place as the board may determine. These meetings shall be open to the public, and the approved minutes of these meetings shall be available to the public on request. The chairman of the Board of Trustees or any five board members may call a special meeting by giving at least two weeks' notice to all members; and the Board may hold special meetings at any time by unanimous consent, with due public notification as outlined in Section 471.705 of the Statutes of the State of Minnesota.

### 2. ANNUAL MEETING

The Board of Trustees of the Plum Creek Regional Library System shall hold its annual meeting during the month of September each year. This meeting will be a combined meeting of the Board of Trustees and the Advisory Council of Library Directors.

### 3. OFFICERS

Prior to its annual meeting each year, the Board of Trustees of the Plum Creek Library System shall elect a chairman, a vice-chairman, a treasurer, and an MLA Representative. These officers and the immediate past chair, meeting together, shall comprise the Executive Council, and shall be empowered by the Board of Trustees to transact business on occasions when the full Board is unable to meet for any reason. Actions by the Executive Council must be ratified by the entire Board at its next regular meeting.

#### D. SPECIFIC AUTHORITY OF THE BOARD OF TRUSTEES

The Board of Trustees shall have the authority to carry on and transact all business on behalf of the Plum Creek Library System, including specifically the following:

##### 1. ACCEPTING FUNDS.

The Board shall have the authority to accept any county, local, state or federal funds made available to the regional library agency and any funds paid to it by participating libraries, to disburse such funds for the benefit of library service in the region according to such rules and regulations as may cover the use of county, local, state and federal funds, and are adopted by the Board of Trustees. The Board shall also have the authority to accept funds from foundations and other grant sources, and donations from individuals and groups.

##### 2. HIRING PERSONNEL

The Board may hire personnel it deems necessary to carry out the service programs it develops, pay salaries, rent, and any expenses deemed appropriate to library development. The Plum Creek Board of Trustees shall have no authority over any participating library, except such authority as may be delegated to it by the library board of a participating library.

##### 3. CREATING ADVISORY COUNCIL

The Board of Trustees shall create an Advisory Council of Library Directors consisting of the head librarian/director (or a designated alternate) from each participating library. It shall be the function of this Council to assist the Board of Trustees in devising plans for library development, in determining how and by whom such plans will be implemented, and in evaluating the results.

##### 4. PROJECTS AND PROGRAMS

The Board of Trustees, with the advice and assistance of the Advisory Council of Library Directors, may develop a variety of mutually beneficial projects, and offer them to the participating libraries, either as free services paid for by Plum Creek funds, or as a special service for which the benefiting libraries will pay. Among such projects may be specific services that any one or any group of libraries may perform for other participating libraries, and for which the Board reimburses the library performing such services.

##### 5. BY-LAWS

The Board of Trustees at any regular or special meeting may, by a majority vote of the entire board membership, establish, amend or repeal By-laws as may be appropriate to its needs from time to time.

##### 6. REVIEW OF AGREEMENT

This Agreement will be reviewed for possible revision every five years, or as judged necessary by the Board of Trustees or the signatories.



## II. RIGHTS AND RESPONSIBILITIES OF PARTIES OF THE FIRST PART.

A. Each of the parties of the first part agrees to the use of certain of its library materials in reciprocal borrowing and inter-library loans according to regulations established by second party's Board of Trustees or by state laws or state regulations. The time period of such loans in each case will be the same as that of the library from which the material is actually checked out.

B. Each of the parties of the first part agrees to strive for consistently excellent library service by providing the following:

1. At least 20 hours per week open to the public.
2. Use of the Dewey Decimal System.
3. Distribution and recognition of the Plum Creek Library Card.
4. Participation in continuing education programs for library personnel.
5. Adherence to generally accepted Library Practices.
6. Purchase and maintenance of such technology as is needed to allow access to the Automation System.
7. Compliance, or written plans for compliance, with the *Essential Level* of the Standards for Minnesota Public Libraries, (LDS, 1996)

C. Each of the parties of the first part agrees that it will charge a non-resident fee to any patron who does not live or own property in an area which either belongs to the Plum Creek Regional Library System, or has a reciprocal agreement with the Plum Creek System. The amount of such fee will be fixed from time to time by the Board of Trustees of the System.

## III RIGHTS AND RESPONSIBILITIES OF PARTIES OF THE SECOND PART.

A. Each of the parties of the second part agrees that it will provide at least the minimum level of support certified annually by the Department of Children, Families, and Learning. Those Counties who supply County Aid to Municipal Libraries (Lincoln, Murray, Cottonwood, Redwood, and Pipestone Counties), shall pay these funds to the Plum Creek Library System in May and November of each year, to be distributed to the local libraries by agreed-upon formula within 60 days of receipt. Bookmobile funds from participating counties shall be paid monthly, according to contract.

Counties will be apprised of the exact amounts distributed to each library within the same time frame.

B. The Counties may request documentation of statistics for circulation, programming, or any other aspect of the business of the Plum Creek Library System.

#### **IV RIGHTS AND RESPONSIBILITIES OF PARTIES OF THE THIRD PART.**

A. Each of the parties of the third part agrees that it will provide at least the minimum level of support certified annually by the Department of Children, Families, and Learning. The amount contributed to the library from the County in the form of Library Aid will not be considered a part of the contribution from the city.

B. It is further agreed that in no event will the minimum level of support by any participant in any year be an amount less than that provided for in Minnesota Statute 134.34 Subdivision 4.

C. Should any member not meet the requirements of this subsection, such member will not be eligible to participate further in the system and its services.

D. Notwithstanding any other provisions of this contract, it is understood that in order to be eligible for grants that the Plum Creek Library System must abide by rules and regulations of the Department of Children, Families and Learning, and it is agreed that the system and its members will be subject to such rules and regulations now existing or hereafter established.

#### **V. NEW MEMBERS**

Public libraries may enter into this contract as parties of the first part by concurrence, and benefit from its services, under such mutually satisfactory terms as may be set by the Board. Library Board members from new member libraries shall be equally as eligible as older members to serve on the Plum Creek Board of Trustees.

#### **VI. WITHDRAWAL**

Any library which is one of the first parties to this contract may withdraw from participation upon six months written notice to the Board, without affecting other parties, subject, however, to the regulation that no one of the first parties nor any new member can withdraw prior to at least three years participation.

#### **VII. DISSOLUTION**

A. This contract may be dissolved by the mutual consent of the parties under the following provisions

- 1) By creating and/or designating a successor regional library under the provisions of Minnesota law, and turning functions and assets of the Board of Trustees over to such successor organization, or
- 2) Upon written notification to the Library Services and Development division of the Department of Children, Families, and Learning, which administers state aid to public libraries, no later than December 31 of the year prior to the end of the state fiscal year for which they have received aid funds provided by said office; and providing said office with a plan for disposition of assets acquired with aid funds



## PLUM CREEK LIBRARY SYSTEM AGENCY AGREEMENT

This contract is made and entered into by and among the counties of Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood, and Rock pursuant to Minn. Stat. 471.59 and 134.20 and by those municipalities within these counties having a public library and those libraries, whose names appear as signatories to this document.

The members have agreed that the extension and improvement of public library services within these jurisdictions can be accomplished as authorized and described within this agreement.

### I. PURPOSE

The signatory members have come together under Minnesota Statutes to extend and improve library services for citizens who live in their jurisdictions. As such, the members recognize the advantages of this collaborative effort, which include:

- Shared materials and resources for wider access;
- Collective purchasing of digital and other materials and resources, particularly those that would be financially difficult for members to purchase individually;
- A stronger voice in advocating to regional, state and national funders and organizations;
- A forum to create new collaborations for programming and shared collections, as well as learn from each other's experiments, pilots, and explorations of new services, ideas, and processes.

All member libraries are required to participate in these collaborative efforts:

- The shared integrated library system (ILS) and public catalog of materials
- A delivery system to move materials among the members

In addition, members are encouraged to participate in other collaborative efforts which may include, but are not limited to:

- Specialized collections that rotate among member libraries
- Shared programming
- Technology support

### II. BOARD OF TRUSTEES

#### A. Membership

The Board of Trustees of the Plum Creek Library System shall consist of two representatives from each signatory county. One of these representatives shall be appointed by the County Commissioners from among their members. The second of these representatives shall be chosen from among the boards of the participating libraries in that county. In counties with a population of greater than 15,000 residents, an additional representative will be selected from the member library boards.

Representatives from library boards shall be selected at a joint meeting of the library boards in that county.

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B. Term of Office

Members appointed by County Commissioners shall be appointed for a term of one year and members selected from library boards shall be appointed for a term of three years. The membership shall be such approximately an equal number of terms shall expire each year. No Governing Board member shall serve for more than nine consecutive years. Any member who has served a full nine years may return to the board after at least one full year on non-membership. In the event a representative of a library board shall cease to be a member of that board, the member shall resign and a replacement shall be selected for the remainder of the term. Any trustee who is unable to attend more than two consecutive Governing Board meetings shall notify the appropriate appointing authority, which shall appoint either an alternate or a replacement as it may deem appropriate.

C. Duties of Trustees

1. Meetings

The board of trustees shall be the Governing Board of the Plum Creek Library System (hereafter referred to as the Governing Board) and shall hold no fewer than 6 regular meetings per year at such time and place as the board may determine. These meetings shall be open to the public and the approved minutes shall be made available to the public on request. The chairman of the board or any 5 trustees may call a special meeting by giving at least 2 weeks' notice to all members; and the board may hold special meetings at any time by unanimous consent, with due public notification as outlined in Minn. Stat. 13D.01.

2. Annual Meeting

The Governing Board shall hold an annual meeting at such time and place as the board may determine. The purpose of this meeting shall be to discuss the status of the Plum Creek Library System.

3. At its final meeting each year, the Governing Board shall elect a chair, vice-chair/chair elect, secretary, and treasurer. These officers and the immediate past chair, meeting together, shall compromise the Executive Committee.

4. Executive Committee

The purpose of the Executive Committee shall be to advise the director. The Executive Committee shall have the authority to act on behalf of the Governing Board in cases of emergency in which a meeting of the Governing Board is impossible. All actions taken by the Executive Committee shall be approved by the Governing Board at its next meeting. All meetings of the Executive Committee shall be posted and open to the public.

D. Specific Authority of the Board

The Governing Board shall have the authority to carry on and transact all business on behalf of the Plum Creek Library System, including the following:

1. Accepting Funds

The Governing Board shall have the authority to accept any county, local, state, or federal funds made available to the Plum Creek Library System and any funds paid to it



by participating libraries, to disburse such funds for the benefit of library service in the region according to such rules and regulations as may cover the use of county, local, state, and federal funds, and are adopted by the Governing Board. The Governing Board shall also have the authority to accept funds from foundations and other grant sources and donations from individuals and groups.

2. Hiring Personnel

The Governing Board shall hire a qualified director, who shall hire any additional staff the Board deems necessary to carry out the service programs of Plum Creek Library System. The Governing Board shall have no authority over the staff of any participating library.

3. Advisory Council

The Board shall create an Advisory Council consisting of the head librarian/director (or a designated alternate) of each participating library. It shall be the function of the Advisory Council to assist the Board in identifying necessary services, supervising the management of the programs of the Plum Creek Library System, and providing a forum for idea sharing among the member libraries. The Advisory Council shall elect one of its members to serve as a liaison to the Board of Trustees and attend its meetings.

4. By-Laws

The Governing Board shall maintain a set of by-laws governing its operation. Such by-laws shall be established, amended, or repealed by a majority vote of the Governing Board.

5. Contractual Agreements

The Governing Board shall have the authority to enter into contractual agreements with other entities. Any agreement having a direct financial impact upon member libraries shall be discussed and voted upon by the Advisory Council before action may be taken by the Governing Board.

6. Review of Agreement

This agreement shall be reviewed for possible revision as deemed necessary by the Governing Board or a majority of its signatories, but not less frequently than every 10 years.

### III. RIGHTS AND RESPONSIBILITIES OF MEMBER LIBRARIES

A. Each member agrees to the use of its library materials in reciprocal borrowing and interlibrary loans according to the policies established by the Governing Board in consultation with the Advisory Council or by state law and regulation. The lending period of such loans shall be the same as that of the borrowing library.

B. Each member agrees to do the following in order to remain a member in good standing:

1. Remain open to the public an average of 20 hours per week.
2. Use the barcode prefix assigned to it by MINITEX and accept the library cards of other system members.

3. Abide by ILS policies approved by the Advisory Council and adopted by the Governing Board.
  4. Maintain and train staff to use the technology necessary for the ILS.
  5. Employ a paid library director to work a minimum average of 20 hours per week.
- C. Each member agrees to charge a non-resident fee to any patron who does not live or own property in an area which either participates in or which has a reciprocal agreement with the Plum Creek Library System. The amount of such fee shall be fixed from time-to-time by the Board of Trustees in consultation with the Advisory Council.

#### IV. RIGHTS AND RESPONSIBILITIES OF COUNTIES

Each county agrees to provide at least the minimum level of support certified annually by the Minnesota Department of Education's State Library Services. Those counties providing County Aid to Public Libraries (Cottonwood, Lincoln, Murray, Pipestone, and Redwood) shall pay these funds to the local library in May and November of each year according to a formula determined by that county. Upon request, Plum Creek Library System shall assist in determining the amount to be distributed to each library.

#### V. RIGHTS AND RESPONSIBILITIES OF MUNICIPALITIES

- A. Each municipality agrees that it will provide at least the minimum level of support certified annually by the Minnesota Department of Education under Minn. Stat 134.34 as modified by Minn. Stat. 275.761 or any successor statutes. The amount contributed by the county in the form of County Aid to Public Libraries shall not be considered a part of the contribution by the municipality.
- B. Should any member not meet the requirements of this section, such member and the library it established may not be eligible to participate in the system and its services until the problem is resolved. Resolution shall take place within 6 months of the time the municipality and library are notified they do not meet the requirements. The Governing Board shall determine which, if any, services shall be withheld during this period. A member that fails to meet the requirements within 6 months shall be considered to have voluntarily withdrawn from the system [see section VI. Withdrawal].
- C. Notwithstanding any other provisions of this contract, it is understood that in order to be eligible for grants the Plum Creek Library System must abide by the rules and regulations of the Department of Education's State Library Services and it is agreed that the system and its members will be subject to such rules and regulations now existing or hereafter established.
- D. A school district which has jointly established a public library with a municipality shall have the same rights and responsibilities as other municipalities within this section.

#### VI. NEW MEMBERS

Public libraries in a participating county may enter into this contract and benefit from its services upon adoption of a resolution to abide by its terms. The resolution shall be adopted by the library's board of trustees and the governing body of the municipality that established the library.

2016

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## VII. WITHDRAWAL

A member library may withdraw from the system by providing written notice to the Governing Board; however, no member may withdraw prior to at least three years' participation as a member.

The withdrawal process may begin no sooner than three months after notice has been given. During this time, the Chair of the Governing Board and the PCLS Director shall meet with the board of trustees of the library and the library director in order to identify the reasons for the decision to withdraw and attempt to identify a mutually acceptable resolution to these concerns.

If these meetings fail to identify a mutually acceptable resolution, the State Librarian shall be asked to meet with the Chair of the Governing Board, the PCLS Director, the board of trustees of the library, and the county or municipal governing body that established the library in order to attempt to identify a mutually acceptable resolution.

If within three months, no mutually acceptable resolution has been achieved the withdrawal process shall begin. The withdrawal process shall follow a policy reviewed by the Advisory Council and approved by the Governing Board. This policy shall not be amended while a library is withdrawing from the system.

The withdrawal shall be complete within six months of the time the process began. The withdrawing library shall be responsible for all expenses incurred during the withdrawal process and identified within the withdrawal policy.

## VIII. DISSOLUTION

A. This contract may be dissolved by mutual consent of the parties under one of the following provisions:

1. By creating and/or designating a successor regional library under the provision of Minnesota law and turning the functions and assets of the Board of Trustees over to the successor organization.
2. Upon written notification to the Minnesota Department of Education, which administers state aid to public libraries, no later than December 31 of the year prior to the end of the state fiscal year for which the system has received aid funds provided by said office; and by providing said office with a plan for disposition of assets acquired with aid funds. Disposition of assets shall be consistent with *Minnesota Rules Chapter 3530.0200, Subp. 4(C)*.



**Wendy Meyer**

**Subject:** FW: Cottonwood County aid distribution formula

COTTONWOOD COUNTY		MOE 2016				
YEAR	2016					
MOE:	<b>47,300.00</b>					
TIME PERIOD	Jan. - Dec. 2016					
LIBRARY	BASE ALLOCATION	2015 OUT COUNTY CIRCULATION	% OF CIRCULATION	DOLLARS TO BE GENERATED	TOTAL with base allocation added	
MT. LAKE	1,000.00	13,682	51.2396%	7,727.96	<b>8,727.96</b>	
WESTBROOK	1,000.00	3,699	13.8529%	2,089.29	<b>3,089.29</b>	
WINDOM	1,000.00	9,321	34.9075%	5,264.75	<b>6,264.75</b>	
		<u>3,000.00</u>	<u>26,702</u>	<u>100%</u>	<u>15,082.00</u>	<u>18,082.00</u>
				15,082.00	18,082.00	
Cottonwood County MINIMUM LEVEL OF SUPPORT					TOTAL TO BE CALCULATED UNDER CAPL. FORMULA	
FIRST HALF 23,650.00	<u>OUTREACH</u> 5,568.00		<u>BASE ALLOCATION</u> 3,000.00		<u>15,082.00</u>	
SECOND HALF 23,650.00	5,568.00		3,000.00		15,082.00	
TOTALS	11,136.00		6,000.00		30,164.00	

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*Email from Jason P  
Regarding Dispatch fees*

**Doug Bristol**

---

**From:** Jason Purrington [Jason.Purrington@co.cottonwood.mn.us]  
**Sent:** Wednesday, November 02, 2016 11:36 AM  
**To:** Doug Bristol (Chief)  
**Cc:** Jason Purrington  
**Subject:** Dispatch Agreement  
**Attachments:** Dispatch Agreement. Mt Lake.docx; County Board Minutes.2004.pdf

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Doug,

Attached is the Dispatch Agreement for your City Council to review and sign. In researching this I was unable to find any signed agreement from the past that discussed the terms of the current dispatch agreement. The only thing that I was able to find were minutes from the County Board meeting from 2004 when it was discussed by then Sheriff, Bob Haken and the County Board. I have also attached those minutes for your review.

To make the agreement more consistent for all the cities (Windom, Mt Lake and Westbrook) involved, the county will charge a \$2.25 per Call for Service Fee that is created for Police, Fire and Ambulance. You will be invoiced on July 1<sup>st</sup> and Jan 1<sup>st</sup> for the previous 6 months. The agreement will become effective on Jan 1, 2017.

Any questions let me know, thanks...

Jason J. Purrington  
Sheriff, Cottonwood County

Cottonwood County Sheriff's Office  
902 5<sup>th</sup> Avenue  
Windom MN 56101

507-831-1375  
507-831-1957 (fax)

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## Agreement for Dispatching Services

THIS AGREEMENT made and entered into by and between the County of Cottonwood, a governmental subdivision of the State of Minnesota, hereinafter referred to as "Cottonwood", and the City of Mt Lake, a governmental subdivision of the State of Minnesota, hereinafter referred to as "Mt Lake", said parties agreeing as follows:

WHEREAS, Cottonwood operates a law enforcement building providing emergency and general dispatching services to various law enforcement agencies and municipalities; and

WHEREAS, Mt Lake operates its own police, fire and ambulance, and is in need of securing ongoing dispatching services from Cottonwood; and

WHEREAS, the parties hereto are desirous of entering into an ongoing services agreement whereby Cottonwood provides such dispatching services to Mt Lake, as required by Mt Lake, all as set forth hereafter;

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. That this Agreement is being entered into pursuant to Minnesota State Statutes 471.59 as an exercise of the joint powers of the respective governmental entities.
2. That the purpose of this Agreement is to establish in writing, the contractual rights and obligations of the parties hereto with respect to Cottonwood providing dispatching services to Mt Lake.
3. Cottonwood agrees to provide dispatching services to Mt Lake, for:
  - a. Police Department activities.
  - b. Fire Department activities.
  - c. Ambulance Department activities.
  - d. Such other activities as requested by Mt Lake and agreed to by Cottonwood or as required by state law.

The dispatch service provided by Cottonwood will remain the same throughout the term of this Agreement.

4. That Cottonwood agrees to lease or purchase and maintain all necessary equipment for the efficient and effective operation of a Communications Center.
5. That Cottonwood shall hire, employ, and furnish personnel to manage and operate the Communications Center round the clock, 24 hours per day. Said persons so employed shall be deemed solely Cottonwood employees for all lawful purposes.
6. That Mt Lake agrees to pay Cottonwood for such dispatching services a \$2.25 per Call For Service (CFS) fee. This fee will be invoiced on July 1 and January 1 for the previous six months. This will not change without prior agreement by representatives of both parties. The CFS fee shall be re-negotiated every two years



and will become effective when put in writing and signed by all parties as an addendum to the "Agreement for Dispatch Services".

7. That the effective date of this Agreement shall be the 1<sup>st</sup> day of January 2017, and shall continue and be automatically renewed from calendar year to calendar year thereafter unless and until terminated by written notice from either party to the other served on or before April 1 of the calendar year at the end of which the agreement is to terminate.
8. That the parties of this Agreement specifically understand and agree that this is a Services Agreement and does not create a principal and agent relationship nor any employer/employee relationship between the two respective Governmental Subdivisions. That neither party shall be responsible, in any manner, for the operation of the other Governmental Subdivision, nor the acts or omissions for the employees of the other Governmental Subdivision.
9. That Cottonwood and Mt Lake may enter into the additional and supplemental agreements regarding each other's matters, not covered or included by the terms of this Agreement, as may arise or become necessary to promote the most effective and efficient methods to achieve the purposes of this Agreement. Such additional agreements shall be deemed to be incorporated into and shall be an integral part of this agreement.
10. This Agreement embodies all understandings, terms and conditions as agreed to and upon by Cottonwood and Mt Lake. That there are no other written or oral statements or representations made by either party hereto which are a part of or included in this Agreement.

IN WITNESS WHEREOF, both parties have hereunto set their hands this \_\_\_\_ day of \_\_\_\_\_, 2016

CITY OF MT LAKE

\_\_\_\_\_  
Mayor, City of Mt Lake

\_\_\_\_\_  
City Administrator

\_\_\_\_\_  
Chairman, Board of Commissioners

\_\_\_\_\_  
County Auditor

Motion by Kuecker, second by Oeltjenbruns, unanimous vote to send out Annual Verification of Driver's License & Insurance Status and Authorization for Release of Driving Record to all employees who haven't already completed one. This will be sent out with the August payroll.

Motion by Oeltjenbruns, second by Severson, unanimous vote to hire Mary Mohlencamp as temporary hire in the Probation Office from August 16<sup>th</sup> to September 14<sup>th</sup> due to the medical leave of one of the current staff. Mohlencamp will be compensated at a rate of \$10.00/hour for a total of up to 40 hours for the entire 4-week period.

Auditor/Treasurer Jan Johnson reported that the Big Bend Snowriders Club was recently awarded a \$45,000 matching grant for the purchase of a tractor through a trails grant that they recently applied for. Motion by Holmen, second by Severson, unanimous roll call vote to adopt the following resolution:

**Resolution 04-07-27  
Big Bend Snowriders Club**

**WHEREAS**, Cottonwood County has established the Cottonwood County Snowmobile Trails System; and

**WHEREAS**, all state regulations have been followed and permits have been granted where necessary; and

**WHEREAS**, the County, working with the Big Bend Snowriders Club, desires to see the continuation of the trails system; and

**WHEREAS**, the Big Bend Snowriders Club has applied for a grant and agrees to accept that grant in the amount of \$45,000 for project 0047-04-4B; and

**WHEREAS**, the Big Bend Snowriders Club is aware and recognizes that they are responsible for a matching requirement in the amount of \$45,000 in order to obtain this grant; and

**WHEREAS**, Jan Johnson, County Auditor/Treasurer, 900 Third Avenue, Windom, MN 56101 will act as the fiscal agent on behalf of Cottonwood County; and

**WHEREAS**, the Big Bend Snowriders Club will offer assurance that the equipment received under the grant will be kept no less than 20 years.

**NOW THEREFORE, BE IT RESOLVED**, that the Cottonwood County Board of Commissioners hereby supports the acceptance of this grant on behalf of the Big Bend Snowriders Club.

S/Jan Johnson, Auditor/Treasurer

S/Gary Sorenson, Board Chairman

Mary McLaughlin and Priscilla Jacobson met with the board representing the RSVP Program to give an update on some of the opportunities that they have been involved with throughout the past months. They also submitted a proposed 2005 budget for RSVP in the amount of \$13,383, which is based on per capita.

Sheriff Bob Haken met with the board to discuss a proposal for charging dispatching fees to Windom, Mt. Lake, and Westbrook. The City of Windom currently pays \$15,000/year for dispatching fees. Up until now, the City of Mt. Lake and the City of Westbrook have never been charged for these services. Motion by Kuecker, second by Oeltjenbruns, unanimous vote to begin charging



for dispatching fees equal to the per capita rate that Windom is paying effective January 1, 2005. Westbrook will pay 1/3 of the per capita cost as they only work 8-hours. Commissioner Kuecker and Haken will work together to send something out to the cities that are involved.

Administrative Assistant Kelly Thongvivong presented 2005 proposed budgets for the following departments: Commissioners, Transit, Safety, and Seed Capital.

Auditor/Treasurer Jan Johnson presented 2005 proposed budgets for the following departments: Auditor/Treasurer, Auditing/State Auditors, Data Processing, Machine Room/Copy Machine, Elections, Courthouse Buildings & Grounds, Coroner, Culture and Celebration, Tourism, Economic Development, Miscellaneous Appropriations, Comparable Worth, Unallocated, County Building & Grounds, and Tax Forfeiture Land.

Johnson presented 2004 remaining appropriations as follows: Senior Citizen Centers - \$11,400 (\$1,900 each); Heritage Houses - \$800 (\$400 each); and Ag Society - \$17,500. Motion by Kuecker, second by Severson, unanimous vote to pay 2004 remaining miscellaneous appropriations.

Johnson reported that the county would be receiving a 2004 dividend from MCIT in the amount of \$89,302 (\$48,854 work comp and \$40,448 property and casualty insurance).

Johnson mentioned that there have been some changes in plans for the upgrade of the AS400 System that was approved at the last board meeting. After further discussions and more research, quotes (on file in the Commissioner's Office) were received for the Model 520 as well as some of the other options to support the upgrade. Motion by Holmen, second by Severson, unanimous vote to accept quote for the purchase of Model 520 from Synatrix in the amount of \$53,165.87 as this price included everything. The IBM quote included only 1-year of hardware warranty and software maintenance and no set-up fee was included in this quote.

Motion by Severson, second by Oeltjenbruns, unanimous vote to adopt "Electronic Communication Usage Policy" which was formerly entitled "Internet, Computer and Equipment Usage Policy".

Brief discussion was held regarding cell phone plans. Chairman Sorenson will contact Midwest Wireless to see if they will submit a quote for a countywide cell phone plan, as they have not done so at this time.

There being no further business, there was a motion by Holmen, second by Kuecker, unanimous vote to adjourn the meeting.

Jan Johnson, Auditor/Treasurer

Gary Sorenson, Board Chairman

Kelly Thongvivong, Bd. Adm. Assistant



Department as the black Expedition has been having mechanical problems. Quotes were as follows: Thane Hawkins Polar Chevrolet - \$23,853; Owatonna Ford - \$25,721 and \$21,841; Higley Ford - \$26,501; and Superior Ford - \$26,465. Motion by Kuecker, second by Severson, unanimous vote to allow Haken to purchase 2005 Dodge Quad Cab from Owatonna Ford in the amount of \$21,841 and to sell the black Expedition.



Haken reported on a call that he had received from Sara Friesen from the City of Mt. Lake regarding a recent letter that he had sent out regarding the new charges that will be imposed on the City of Mt. Lake and the City of Westbrook for dispatching fees. Commissioner Oeltjenbruns will talk to the City of Mt. Lake further to see what kind of payment towards dispatching fees they might be able to handle for the upcoming year as this fee had not already been figured in their budget.

\* \* \* \* \*  
 Solid Waste Officer Mike Kirchmeier met with the board to discuss a few different items. Kirchmeier reported that three quotes (Murray County, Curry Sanitation and Waste Management) were received for the request for processing of recyclables and that one quote (Redwood County) would be in today's mail due to there being no mail delivery yesterday. Three quotes were reviewed but since not all quotes were available, no action was taken.

Kirchmeier reported that he had received another payment request from Mathiowetz Construction in the amount of \$35,476.12. Motion by Holmen, second by Severson, unanimous vote to pay Mathiowetz Construction pending receipt of letter of approval from S.E.H.

Kirchmeier recently received a request from MnDOT asking for a reduction in cost for the tipping fee at the landfill. Motion by Oeltjenbruns, second by Kuecker, unanimous vote to adjust MnDOT's bill in the amount of \$725.93 to half, as the material hauled from MnDOT can be used as cover at the landfill.

Chairman Sorenson informed Kirchmeier that the board had received a resignation from County Engineer Jerry Engstrom effective December 31, 2004 and because of this the board has agreed that they would like to do some reorganization. As a cost-savings effort by the County, the board would like to begin advertising for the position of County Engineer/Solid Waste Officer. It has not yet been decided what will be done with the Emergency Management position that the Solid Waste Officer currently holds.

\* \* \* \* \*  
 County Assessor Gale Bondhus met with the board to update the board on some preliminary quotes that she has received for the services of a private commercial appraiser for the tax court appeal on the Windom Apartments. The board stated that they would be comfortable with Bondhus pursuing other quotes and obtaining references if possible.

\* \* \* \* \*  
 Motion by Oeltjenbruns, second by Holmen, unanimous vote to approve October warrants as follows:



October 26, 2004  
Cottonwood County Board of Commissioners  
Regular Meeting  
Minutes

The Cottonwood County Board of Commissioners met in regular session on Tuesday, October 26, 2004 at 1:00 p.m. at the Cottonwood County Courthouse in Windom, MN. Present for all or portions of the meeting were: Commissioners Gary Sorenson, Chuck Severson, Ron Kuecker, Norm Holmen, John Oeltjenbruns; Auditor/Treasurer Jan Johnson; Administrative Assistant Kelly Thongvivong; Ruth Hubbling, Bob Haken, Tim Arlt, Mike Kirchmeier, Darryl Heaps and Jeremy Curry. Motion by Oeltjenbruns, second by Holmen, unanimous vote to approve the additions of the agenda. Motion by Severson, second by Oeltjenbruns, unanimous vote to approve the minutes of the October 12, 2004 meeting as corrected.

Ruth Hubbling, Director for Southwest Crisis Center, met with the board to give an update and to request funding for 2005. The Cottonwood County office of the Southwest Crisis Center sustained a 28% cut in state funds, totaling \$11,200. They are requesting that the county appropriate \$5,000 for general operating costs to keep the office in Windom open. No action was taken at this time and further discussion regarding the request will be held at the November 9<sup>th</sup> board meeting.

Sheriff Bob Haken met with the board to discuss a few items. Motion by Holmen, second by Severson, unanimous vote to accept Sharon Jenniges' retirement resignation effective October 31<sup>st</sup> and to approve appropriate payout of benefits.

Motion by Oeltjenbruns, second by Severson, unanimous vote to move Lynn Elzenga (jailer/dispatcher) from full-time to part-time status effective October 15<sup>th</sup>.

Haken informed the board that he has 11 applicants so far for the jailer/dispatcher positions and will begin interviewing on November 2<sup>nd</sup>. He is hoping to hire two part-time and one full-time staff.

A request was made by Haken to place Jim Vellema on the same step of the pay matrix as the custodial supervisor at the Courthouse. Haken was asked to have Jim Vellema write up a letter stating his job duties and the reasoning of why he deserves a wage increase. This can then be reviewed the first of the year.

Discussion was held regarding dispatching fees for the City of Mt. Lake. It was decided that because the Sheriff's Department does not provide all of the same services to the City of Mt. Lake as it provides to the City of Windom that the 2005 dispatching fees to the City of Mt. Lake would be refigured according to a percentage basis and the annual fee would be reduced.

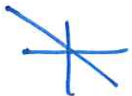
Commissioner Kuecker reported that the Evangelical Free Church had recently approached him to express their interest in purchasing the county property where the transit buses are currently housed. Since DAC is the party that originally contacted the county about the possibility of trading buildings, Kuecker will contact Don Pankratz to have him get a proposal including costs submitted to the board.

\* \* \* \*

Commissioner Kuecker gave an update in regards to his findings for rental rates around the area. Most of the rates he obtained were for a full-use basis, which included everything but telephone services.

\* \* \* \*

Commissioner Oeltjenbruns updated the board on a recent meeting he attended at the Mt. Lake City Council regarding dispatching fees that are going to be charged to the City of Mt. Lake in 2005. The total was originally set at \$6,600 but after reviewing the services provided to the City of Mt. Lake, the Sheriff's Department agreed to refigure the charges for 2005. Motion by Oeltjenbruns, second by Sorenson, to set Mt. Lake's dispatching fees for 2005 at \$3,000 and to review rates again in June or July for 2006. Voting aye: Oeltjenbruns, Sorenson and Holmen. Voting nay: Kuecker and Severson. Motion carried.



Motion by Sorenson, second by Oeltjenbruns, to reduce Westbrook's dispatching fees for 2005 to \$600 and to review rates again in June or July for 2006. Voting aye: Sorenson, Oeltjenbruns, Holmen. Voting nay: Kuecker and Severson. Motion carried.

\* \* \* \*

Auditor/Treasurer Johnson informed the board that he had received some information from the City of Windom for a TIF proposal if anyone was interested in looking at it.

Johnson asked that two commissioners help with canvassing the ballots on Friday, November 5<sup>th</sup> at 9:00 a.m. Commissioners Sorenson and Severson will plan to be present.

Johnson reported that Ken Leas had stopped in and said that three of the four A.F.S.C.M.E. unions have agreed to the proposed 2005 - 2006 union contract. He will work on putting together the final contracts for approval.

\* \* \* \*

Motion by Severson, second by Oeltjenbruns, unanimous vote to accept Laurie Iverson's resignation effective November 19<sup>th</sup> and to authorize payout of benefits.

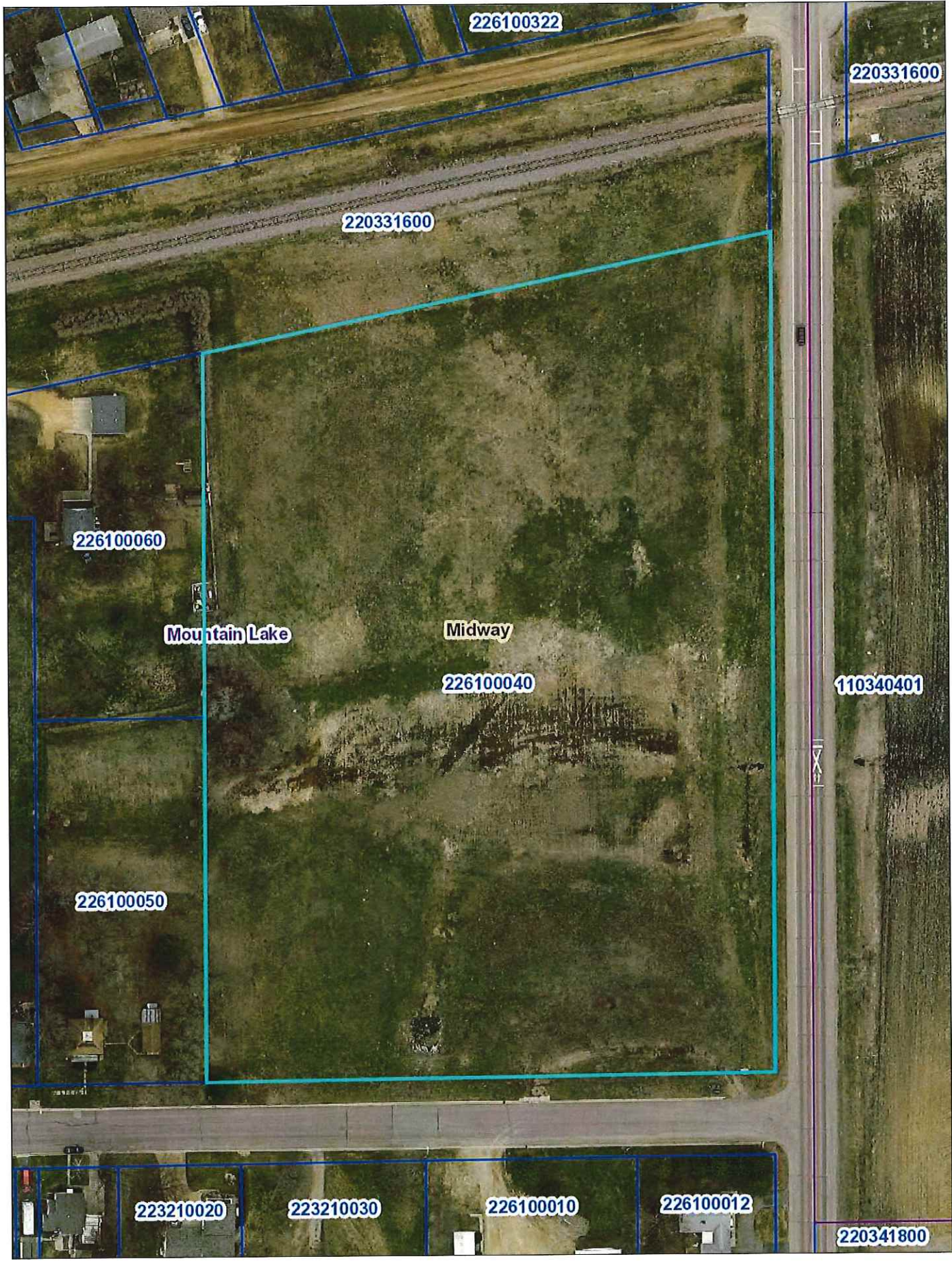
Motion by Kuecker, second by Holmen, unanimous vote to authorize internal posting and advertising simultaneously for the Extension Office Manager position.

\* \* \* \*

Johnson reported that he had recently had a conversation with a previous property owner who was currently living in a tax-forfeited residence and who was

SD







Chapter 3  
Section 3.05  
Subdivision 7.

Unlawful Acts.

- A. It is unlawful for any person to willfully or carelessly break, injure, mar, deface, disturb, or in any way interfere with any buildings, attachments, machinery, apparatus, equipment, fixture, or appurtenance of any municipal utility or municipal utility system, or commit any act tending to obstruct or impair the use of any municipal utility.
- B. It is unlawful for any person to make any connection with, opening into, use, or alter in any way any municipal utility system without first having applied for and received written permission to do so from the City.
- C. It is unlawful for any person to turn on or connect a utility when the same has been turned off or disconnected by the City for non-payment of a bill, or for any other reason, without first having obtained a permit to do so from the City.
- D. It is unlawful for any person to "jumper" or by any means or device fully or partially circumvent a municipal utility meter, or to knowingly use or consume unmetered utilities or use the services of any utility system, the use of which the proper billing authorities have no knowledge.

**CITY OF MOUNTAIN LAKE, MN**

**ORDINANCE #11-16**

**AN ORDINANCE AMENDING CHAPTER 3 OF  
MOUNTAIN LAKE CITY CODE**

**Municipal Utilities – Rules and Regulations, Rates, Charges and Collections**

**Section 3.05 Rules and Regulations Relating to Municipal Utilities**

Be it ordained by the City Council of the City of Mountain Lake that Subdivision 7, Unlawful Acts of Section 3.05 be amended with that addition of Paragraph E, which reads as follows:

*Any unlawful act as determined by Mountain Lake Municipal Utility staff will result in the disconnection of service to the utility account affiliated with the property where the unlawful act occurred.*

*The account will be billed for the cost of determining and repairing any damage caused including labor, the approximate cost of the unmetered usage, and a fine as recommended by the Mountain Lake Utility Commission and adopted by the Mountain Lake City Council.*

*The bill must be paid in full before service is reconnected.*

Adopted by the Mountain Lake City Council this \_\_\_\_\_ 2016.

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

ATTEST:

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



# **CITY OF MOUNTAIN LAKE**

## **DRUG AND ALCOHOL POLICIES**

**DRAFT FOR NOVEMBER 7**

### **1. DRUG-FREE WORKPLACE**

The City is committed to protecting the safety, health, and well-being of all employees and other individuals in our workplace. It is recognized that alcohol abuse and drug use pose a significant threat to our goals. The City has established a drug-free workplace program that balances our respect for individuals with the need to maintain an alcohol and drug-free environment.

To assist employees in understanding the perils of drug and alcohol abuse, the City has established a Drug and Alcohol Policy. This Drug and Alcohol Policy constitutes the City's drug free awareness program and fulfills the notification requirements of the federal Drug-Free Workplace Act of 1988. The City will use this program as an ongoing educational effort to prevent and eliminate drug and alcohol abuse that may affect the workplace. The program will inform employees of the dangers of drug and alcohol abuse, explain the City's Drug and Alcohol Policy and the sanctions imposed for its violation, and highlight any treatment, counseling, and rehabilitation referral services that may be available to employees in the City. Employees and supervisors will receive mandatory annual training on this program/policy. Nothing set forth in this policy is intended to conflict with state law.

The Drug and Alcohol Policy does not apply to Police Department employees when the prohibited act or possession is performed in accordance with Police Department Policy, and such use or possession is necessary in connection with the investigation of illegal activities.

This policy applies to members of the Ambulance Dept. while on-call and during the four (4) hours prior to scheduled on-call.

This policy does not apply to members of the volunteer Fire Department. Firefighters, if called, are responsible for the safety for the community and their fellow firefighters. Firefighters that have used alcohol or drugs prior to a call-out have the duty to report such use to the Fire Chief. The Fire Chief may at his or her discretion refuse such firefighter's attendance at the fire call. Failure of a firefighter to notify the Chief violates the trust placed in the firefighter by the public and will not be tolerated by the Department or the City Council.

### **2. DRUG AND ALCOHOL PROGRAM**

#### **Purpose**

The purpose of this policy is to ensure a drug and alcohol free work environment and to eliminate drug and alcohol related accidents, injuries, fatalities and damage to City property resulting from the misuse of alcohol or use of controlled substances. It is the City's intention to comply fully with drug and alcohol testing as authorized under Minnesota statutes. In the event the applicable Minnesota statute is amended, this policy and the requirements shall be deemed to have been amended automatically. Redrafting will not be necessary in order to reflect and be in compliance with Minnesota statutes. The City reserves the right to apply the amended requirements immediately, without giving prior notice to

employees and/or applicants who may be covered by this policy, unless such notice is required by Minnesota statute or other applicable law.

The consumption, use, possession, distribution, manufacture or sale of alcohol or illegal drugs anywhere at work on City time, on City property while on City time, or in City vehicles is prohibited and considered a willful violation of City policy which can result in suspension or discharge.

Illegal use of prescription drugs by any employee is prohibited; however nothing in this policy precludes the appropriate use of legally prescribed medications. Employees are required to seek the advice of their doctor if there is any reason to believe that a prescription medication will result in safety concerns at work. The City reserves the right to require proof that it is safe for the employee to perform his or her duties while taking prescribed medications.

Reporting for work under the influence (at any level) of alcohol or illegal drugs is prohibited. This includes travel by City or personal vehicle if on City business.

If an employee is scheduled for a meeting or event outside the typical scheduled work hours to conduct City business including Council, board or commission, or other public meetings reporting for work under the influence (at any level) of alcohol or illegal drugs is prohibited and is considered a willful violation of City policy which can result in suspension or discharge.

If any employee is the scheduled paid on-call employee, reporting for work under the influence (at any level) of alcohol or illegal drugs is prohibited and is considered a willful violation of City policy which can result in suspension or discharge.

In the event of an emergency call-out if any employee who is not the scheduled paid on-call employee at the time of the call-out considers himself/herself as being under the influence of alcohol or drugs must not report to work, but must inform his/her supervisor immediately.

The unlawful manufacture, distribution, possession, or use of a controlled substance on City property or while conducting City business is absolutely prohibited. Violations of this policy will result in disciplinary action, up to and including termination, and may have legal consequences.

Employees must, as a condition of employment, abide by terms of the above policy and must report any conviction under a criminal drug statute for violations occurring on or off work premises while conducting City business. A report of the conviction must be made within five (5) days after the conviction as required by the Drug-Free Workplace Act of 1988.

## **Testing Policy**

**Types of Testing.** Employees are subject to drug and alcohol testing in the following circumstances:

- a. Job Applicant/Pre-employment Testing. All job applicants who receive a contingent job offer from the City may be required to submit to and pass an alcohol and illegal drug, or their metabolites, urinalysis test with a negative test result, prior to commencing employment. Pre-employment testing will be determined by city administrator in consultation with the supervisor and/or city attorney. The offer of employment is conditional upon a passing result. If the offer of conditional employment is subsequently withdrawn, the City will notify the applicant of the reason for the withdrawal.



- b. Routine Physical Examination Testing. An employee may be required to undergo drug and alcohol testing as part of a routine physical examination. The drug or alcohol test will be requested no more than once annually and the employee will be given at least two weeks' written notice that the test shall be required as part of the examination.
- c. Random Testing. An employee in a safety sensitive position, which includes Street Department, Utility Department, and Police Department employees, and members of the Fire and Ambulance Squads, in which impairment caused by drug or alcohol usage would threaten the health or safety of any person may be required to undergo random drug and alcohol testing. In addition, employees who are required to have commercial driver's licenses are subject to random testing as required by federal law. (Reference Policy Section 3 *Drug and Alcohol Program—Commercial Motor Vehicle Operator*.)
- d. Reasonable Suspicion Testing. An employee may be required to undergo drug and alcohol testing if there is a reasonable suspicion that the employee: (a) is under the influence of drugs or alcohol; or (b) has engaged in the use, possession, sale, or transfer of drugs or alcohol while the employee is working or while the employee is on City property or operating a City vehicle, machinery, or equipment; or (c) has sustained a personal injury arising out of and in the course of employment, or caused another person to sustain a personal injury; or (d) has caused a work-related accident or was operating or helping to operate machinery, equipment, or vehicles involved in a work-related accident (reference definition of "accident" in 10.2, Definitions, B). Reasonable suspicion testing for accidents outside of this definition may occur at the discretion of city administrator in consultation with the supervisor and/or the city attorney. A supervisor will transport or coordinate the same-sex transport of the employee to the clinic/hospital where the testing will occur.
- e. Treatment Program Testing. An employee may be required to undergo drug and alcohol testing if the employee has been referred by the City for chemical dependency treatment or evaluation or is participating in a chemical dependency treatment program under the City insurance, in which case, the employee may be requested or required to undergo drug or alcohol testing without prior notice during the evaluation or treatment period and for a period of up to two years following completion of any prescribed chemical dependency treatment program.

**Testing Procedure.** The city administrator in consultation with the supervisor and/or the city attorney may order the drug and alcohol testing. Before undergoing drug or alcohol testing, the employee shall complete a form (1) acknowledging that the employee has seen a copy of the City's drug and alcohol policy, and (2) indicating consent to undergo the drug and alcohol testing.

**Testing Laboratory.** A laboratory meeting all requirements of state law, including those set forth in Minn. Stat. Sec. 181.953, shall handle all drug and alcohol testing.

**Test Results.** Within three days of obtaining the final test results, the testing laboratory shall provide the City with a written report indicating the drug(s), alcohol, or their metabolites tested for, the types of test conducted, and whether the test produced negative or positive test results. Within three working days after receipt of the test result report, the City shall inform the employee in writing of a negative test result on an initial screening test, or of a negative or positive test result on a confirmatory test.



**Rights of Employees and Job Applicants.** Employees and applicants have a right to request and receive a copy of the test result report. If an employee or applicant tests positive for drug use, the City will give written notice of the right to explain the positive test. Within three working days after notice of a positive test result on a confirmatory test, the employee or applicant may submit information to the City to explain that result or may, within five working days after notice of the positive test result, request a confirmatory retest at the employee's or the applicant's own expense. If the confirmatory retest does not confirm the original positive test result, the City will not take any adverse personnel action against the employee or applicant based on the original confirmatory test and will reimburse the employee for the expense of the retest.

**Consequences for Refusal to Test.** Employees and job applicants have the right to refuse to undergo drug and alcohol testing. However, failure to comply with the City's drug and alcohol policy, and refusal to take a drug and alcohol test upon request shall subject an employee to discipline, including discharge. If an applicant refuses to test, the job offer will immediately be withdrawn.

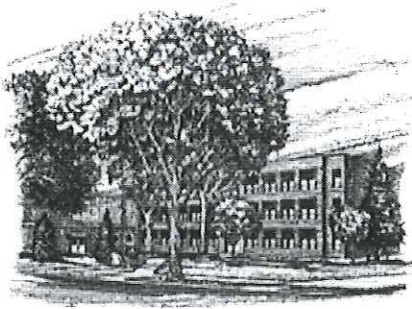
**Discipline.** An employee who has a positive test result on a confirmatory test, when this is the first such result for the employee, will be subject to discipline but shall not be discharged unless (1) the employee has been given an opportunity to participate in either a drug or alcohol counseling or rehabilitation program, whichever is more appropriate, as determined by the City after consultation with a certified chemical use counselor or a physician trained in the diagnosis and treatment of chemical dependency, and (2) the employee has either refused to participate in the counseling or rehabilitation program or has failed to successfully complete the program as evidenced by withdrawal from the program before its completion or has a positive test result on a confirmatory test after completion of the program. Participation in the specified program will be at the employee's own expense or pursuant to coverage under the City's insurance. The City may temporarily suspend the employee or transfer the employee (for whom this is the first such result for the employee) to another position at the same rate of pay pending the outcome of a confirmatory test and, if requested, the confirmatory retest, provided the City believes that it is reasonably necessary to protect the health or safety of the employee, co-employees, or the public. An employee who has been suspended without pay will be reinstated with back pay if the outcome of the confirmatory test or requested confirmatory retest is negative.

All other employees obtaining a positive test result and not participating in a rehabilitation program will be subject to discipline including discharge. An employee required to take time off in order to participate in a rehabilitation program will be permitted to use sick leave, vacation time, compensatory time, floating holidays, and/or unpaid leave. An employee who undergoes substance abuse treatment and counseling under this policy and who continues to work must meet all established standards of conduct and job performance.

#### **Data Privacy**

Test results and other information gathered under this policy will be treated as private data on individuals. Positive results will be disclosed to the employee/applicant, the employee's supervisor and the City Administrator. Results will not be disclosed to others unless requested in writing by the employee/applicant or as required by law.





# 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

October 19, 2016

To: City of Mountain Lake  
Wendy Meyer

From: Kim Naas – Business Manager

Re: 3<sup>rd</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 3<sup>rd</sup> Quarter of 2016.

Revenue Totals	\$ 3,881.19
Expenditure Totals	<u>\$ 9,774.05</u>
Net Loss	\$ 8,363.80

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 ending in 2016 (due to another year extension). 50% of the 3<sup>rd</sup> Quarter's facility costs would be \$4,181.90. 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.