

Mountain Lake City Council Meeting
Mountain Lake City Hall
Tuesday, February 16, 2016
6:30 p.m.

AGENDA

1. Meeting called to order by Mayor Mike Nelson
 - * Further information on agenda item is attached
2. Approval of Agenda and Consent Agenda
 - a. Bills: Check #'s 9918407-9918466; 424E-425E*(1-6)
 - b. Approval of Payroll Checks #'s 62292-62323
 - c. Approval of Feb. 1 Council Minutes*(7-8)
 - d. Approval of Jan. 8 EDA Minutes*(9-11)
 - e. Approval of Jan. 13 Library Board Minutes, Jan. Library Report and Jan. Expenditures*(12-14)
 - f. Approval of Jan. 14 Police Commission Minutes*(15)
 - g. Adopt Resolution #6-16, Attach Private Sewer Line Replacement Costs*(16)
 - h. Accept Rick Oeltjenbruns Resignation, Fire Dept.*(17)
3. Public – A total of ten (10) minutes is allotted for individuals to briefly discuss a topic of concern with the Council.
4. Insured Cash Sweep – Eileen Augustin, Jeremy Janssen, Carolyn Karschnik, Jeff Weldon
United Prairie Bank*(18-24)
5. League of MN Cities Insurance Trust 2016 Renewal
 - a. Statutory Tort Liability Limit Waive*(25)
 - b. Workers' Comp Options*(26-27)
6. Website/E-mail*(28)
7. Guaranteed Energy Savings Program(GESP) Update*(28)
8. Active Living Plan Active Places Demonstration Project*(29)
9. Hometown Sanitation Contract*(30-35)
10. 2015 Budget Review- separate packet
11. City of Mt. Lake vs. Ken and Rachel Yoder Update, Meeting may be Closed, Attorney/Client Privilege
12. Adjourn

City of Mt. Lake Local Board of Adjustment and Equalization will be held Thurs. May 5, 5:30 – 6 PM.

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February 16, 2016
mtg

9918407-9918466
424E-425E

February 2016

Check Amt Invoice Comment

10100 United Prairie

Paid Chk# 9918407 2/1/2016 KAREN & MAKAYLAS LITTLE CARE			
G 230-10639	Karen & MaKaylas Little Care	\$1,395.67	DAYCARE SUPPLIES-LOAN
Total KAREN & MAKAYLAS LITTLE CARE		\$1,395.67	

Paid Chk# 9918408 2/1/2016 CITIZEN PUBLISHING			
E 101-41400-351	Legal Notices Publishing	\$84.70	1/13/2016 BUDGET
E 101-41400-351	Legal Notices Publishing	\$119.35	1/20/2016 ORDINANCE 1-16
E 101-41400-351	Legal Notices Publishing	\$30.80	1/6/2016 HEARING CANCELLATION
Total CITIZEN PUBLISHING		\$234.85	

Paid Chk# 9918409 2/1/2016 THIRD AVENUE AUTO PARTS				
E 101-43100-404	Repairs/Maint Machinery/Equip	(\$7.47)		EARLY PAY CREDIT
E 101-43100-404	Repairs/Maint Machinery/Equip	\$10.75	S150736	OIL FILTER-SKID STEER
E 101-43100-404	Repairs/Maint Machinery/Equip	\$80.70	S150808	AIR FILTER-BLADE
E 101-43100-404	Repairs/Maint Machinery/Equip	\$45.95	S151042	OIL FILTER-BLADE
E 101-42100-406	Vehicle Maint/Gen Repairs	\$28.98	S151107	FUSE,SERVICE CALL-PD EXPEDITION
E 101-43100-404	Repairs/Maint Machinery/Equip	\$53.60	S151126	AIR FILTER-BLADE
E 101-42100-406	Vehicle Maint/Gen Repairs	\$7.99	S151134	SEALED BEAM-PD EXPEDITION
E 101-42100-406	Vehicle Maint/Gen Repairs	\$0.80	S151138	RETURNED SEALED BEAM PURCHASED MINI-FOG LAMP
E 101-43100-404	Repairs/Maint Machinery/Equip	\$64.35	S151309	AIR FILTER-PAYLOADER
E 101-43100-404	Repairs/Maint Machinery/Equip	\$6.09	S151319	STIKIT GOLD-SWEEPER
E 507-46103-220	Repair/Maint Supply	\$17.25	S151450	V-BLET LAKE COMMISSION
E 101-43100-215	Shop Supplies	\$16.79	S151482	SOFT BRUSH-ST DEPT
E 221-42200-404	Repairs/Maint Machinery/Equip	\$6.19	S151486	FD-MINI LAMP FOR OLD GRASS RIG
Total THIRD AVENUE AUTO PARTS		\$331.97		

Paid Chk# 9918410 2/1/2016 KAREN & MAKAYLAS LITTLE CARE			
G 230-10639	Karen & MaKaylas Little Care	\$178.94	LOAN-SUPPLIES
Total KAREN & MAKAYLAS LITTLE CARE		\$178.94	

Paid Chk# 9918411 2/4/2016 AFLAC			
G 101-21713	AFLAC	\$192.74	
Total AFLAC		\$192.74	

Paid Chk# 9918412 2/4/2016 BCBS/HSA			
G 101-21714	HSA	\$393.85	
Total BCBS/HSA		\$393.85	

Paid Chk# 9918413 2/4/2016 COMMISSIONER OF REVENUE			
G 101-21702	State Withholding	\$766.68	
Total COMMISSIONER OF REVENUE		\$766.68	

Paid Chk# 9918414 2/4/2016 GISLASON & HUNTER			
G 101-21712	Garnishments	\$362.77	
Total GISLASON & HUNTER		\$362.77	

Paid Chk# 9918415 2/4/2016 INTERNAL REVENUE SERVICE			
G 101-21703	FICA Tax Withholding	\$2,320.82	
G 101-21701	Federal Withholding	\$1,756.77	
Total INTERNAL REVENUE SERVICE		\$4,077.59	

Paid Chk# 9918416 2/4/2016 LAW ENFORCEMENT LABOR SERV			
G 101-21711	PD UNION DUES	\$98.00	
Total LAW ENFORCEMENT LABOR SERV		\$98.00	

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CITY OF MOUNTAIN LAKE

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			Check Amt	Invoice	Comment
Paid Chk# 9918417	2/4/2016	PERA			
G 101-21704	PERA		\$4,191.57		
		Total PERA	\$4,191.57		
Paid Chk# 9918418	2/4/2016	VALIC			
G 101-21705	VALIC		\$969.72		
		Total VALIC	\$969.72		
Paid Chk# 9918419	2/1/2016	MIDWAY FARM EQUIPMENT			
E 507-45150-404	Repairs/Maint Machinery/Equip		\$126.24		CUSHION FOR WEED HARVESTOR
		Total MIDWAY FARM EQUIPMENT	\$126.24		
Paid Chk# 9918420	2/8/2016	COMMISSIONER OF REVENUE			
G 101-21702	State Withholding		\$68.42		
		Total COMMISSIONER OF REVENUE	\$68.42		
Paid Chk# 9918421	2/8/2016	INTERNAL REVENUE SERVICE			
G 101-21701	Federal Withholding		\$133.18		
G 101-21703	FICA Tax Withholding		\$954.16		
		Total INTERNAL REVENUE SERVICE	\$1,087.34		
Paid Chk# 9918422	2/4/2016	MINNESOTA ENERGY RESOURCE CORP			
E 608-46330-383	Gas Utilities		\$7.82		FINAL BILL APT 403 HERITAGE DRIVE
		Total MINNESOTA ENERGY RESOURCE CORP	\$7.82		
Paid Chk# 9918423	2/12/2016	BRUNTON ARCHITECHTS LTD			
E 450-46300-434	Project Expense		\$1,360.47	08-1652	SERVICES FOR DOWNTOWN PROJECT
		Total BRUNTON ARCHITECHTS LTD	\$1,360.47		
Paid Chk# 9918424	2/12/2016	CALTHA LLP			
E 450-46300-434	Project Expense		\$3,935.61	ML712.004.15.	SERVICES-DOWNTOWN PROJECT
		Total CALTHA LLP	\$3,935.61		
Paid Chk# 9918425	2/12/2016	CARCHIOUS RODNEY			
E 607-46330-401	Repairs/Maint Buildings		\$13.60		JANUARY MAINT
E 608-46330-401	Repairs/Maint Buildings		\$26.40		JANUARY MAINT
		Total CARCHIOUS RODNEY	\$40.00		
Paid Chk# 9918426	2/12/2016	COTTONWOOD COUNTY AUD/TREAS			
E 450-46300-434	Project Expense		\$1,646.04		DEMO-ROSS BLDG CORNER
		Total COTTONWOOD COUNTY AUD/TREAS	\$1,646.04		
Paid Chk# 9918427	2/12/2016	DANIEL MINOR			
G 609-22000	Deposits		\$645.00		RETURN DAMAGE DEPOSIT
E 609-46330-615	Rent Deposit Interest		\$11.34		RETURN INTEREST
		Total DANIEL MINOR	\$656.34		
Paid Chk# 9918428	2/12/2016	HERRIGS CONSTRUCTION INC.			
E 450-46300-434	Project Expense		\$29,277.35	1058	WALL REPAIR-PICKERS BUILDING
		Total HERRIGS CONSTRUCTION INC.	\$29,277.35		
Paid Chk# 9918429	2/12/2016	REHNELT EXCAVATING LLC			
E 450-46300-434	Project Expense		\$61,160.53		DEMO BUILDINGS
		Total REHNELT EXCAVATING LLC	\$61,160.53		
Paid Chk# 9918430	2/12/2016	ROBERT ANDERSON			
E 205-46500-331	Travel Expenses		\$249.91		MILEAGE TO CONFERENCE

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			Check Amt	Invoice	Comment
Total ROBERT ANDERSON			\$249.91		
Paid Chk#	9918431	2/12/2016	SIMPLEX GRINNELL		
E	303-47000-430	Miscellaneous	\$400.78	78381487	ANNUAL FEE FIRE ALARM MONITORING-POPD KERN
Total SIMPLEX GRINNELL			\$400.78		
Paid Chk#	9918432	2/12/2016	WILLIS KRAHN		
E	609-46330-402	Repairs/Maint- Ground	\$180.00		JANUARY SNOW REMOVAL-MASON MANOR
E	607-46330-402	Repairs/Maint- Ground	\$183.60		JANUARY SNOW REMOVAL
E	608-46330-402	Repairs/Maint- Ground	\$356.40		JANUARY SNOW REMOVAL
Total WILLIS KRAHN			\$720.00		
Paid Chk#	9918433	2/12/2016	COUNTRY PRIDE SERVICES		
E	101-42100-212	Motor Fuels	\$180.29		PD-SUV GAS
E	101-43100-212	Motor Fuels	\$1,064.37		ST DEPT GAS
E	231-42154-212	Motor Fuels	\$264.47		AMB DIESEL
E	101-42100-212	Motor Fuels	\$329.94		PD-CHARGER GAS
E	607-46330-401	Repairs/Maint Buildings	\$465.92	154623	WEEKEND CALL-HOTZLER APT
E	507-46103-220	Repair/Maint Supply	\$10.45	154933	LAKE COMM-SPARK PLUG,PAINT
E	101-41400-401	Repairs/Maint Buildings	\$181.62	155000,15474	INSULATION,ADHESIVE-CITY HALL
E	211-45500-220	Repair/Maint Supply	\$38.42	155103	LIBRARY CLEANING SUPPLIES
E	101-43100-404	Repairs/Maint Machinery/Equip	\$447.04	155295,09154	GRAY PAINT-SWEEPER DOOR, BATTERIES FOR #11
E	101-45200-404	Repairs/Maint Machinery/Equip	\$850.62	155335,15562	PICNIC TABLE SUPPLIES
E	101-45186-220	Repair/Maint Supply	\$38.92	155415	COMMUNITY CTR CLEANING SUPPLIES
E	101-43124-216	Chemicals and Chem Products	\$55.47	155540	SIDEWALK-SOFTNER SALT
Total COUNTRY PRIDE SERVICES			\$3,927.53		
Paid Chk#	9918434	2/12/2016	MUNICIPAL UTILITIES		
R	101-00000-31000	General Property Taxes	\$330.85		PRIVATE SEWER LINE PAYMENTS
Total MUNICIPAL UTILITIES			\$330.85		
Paid Chk#	9918435	2/12/2016	KAREN & MAKAYLAS LITTLE CARE		
G	230-10639	Karen & MaKaylas Little Care	\$811.29		SUPPLIES-LOAN
Total KAREN & MAKAYLAS LITTLE CARE			\$811.29		
Paid Chk#	9918436	2/12/2016	UNIFORMS UNLIMITED		
E	101-42100-205	Uniforms	\$865.00	13344-2	VEST FOR BRIAN LUNZ
Total UNIFORMS UNLIMITED			\$865.00		
Paid Chk#	9918437	2/12/2016	ADVANCED SYSTEMS INC		
E	101-41110-200	Office Supplies	\$0.03	452532	MAYOR-COPIES ON SAVIN 3352-10-12-15 TO 1-11-16
E	205-46500-200	Office Supplies	\$5.38	452532	EDA-COPIES ON SAVIN 3352-10-12-15 TO 1-11-16
E	101-41400-200	Office Supplies	\$74.97	452532	OFFICE-COPIES ON SAVIN 3352-10-12-15 TO 1-11-16
Total ADVANCED SYSTEMS INC			\$80.38		
Paid Chk#	9918438	2/12/2016	ALPHA WIRELESS COMMUNICATIONS		
E	221-42200-323	Radio-monthly service contract	\$36.00	681498	FEB FIRE DEPT RADIO MAINT
E	231-42154-323	Radio-monthly service contract	\$44.00	681498	FEB AMB DEPT RADIO MAINT
Total ALPHA WIRELESS COMMUNICATIONS			\$80.00		
Paid Chk#	9918439	2/12/2016	AMBULANCE FUND		
E	231-42154-430	Miscellaneous	\$32.69	2/10/2016	FOOD ON AMB RUN
Total AMBULANCE FUND			\$32.69		
Paid Chk#	9918440	2/12/2016	AMERIPRIDE		
E	101-43100-215	Shop Supplies	\$30.17	2800586070	TOWELS FOR ST DEPT

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E 101-41400-401	Repairs/Maint Buildings		\$41.77	2800586070	MATS FOR CITY HALL
	Total AMERIPRIDE		\$71.94		
Paid Chk# 9918441	2/12/2016	CARDMEMBER SERVICE			
E 101-00000-430	Miscellaneous		\$9.99		MONTHLY BACKUP FEE
E 205-46500-308	Training & Instrcn		\$255.00		EDAM CONF-ROB
E 101-00000-430	Miscellaneous		\$26.10		SWITCH FOR MEDIACOM ROLLUP
	Total CARDMEMBER SERVICE		\$291.09		
Paid Chk# 9918442	2/12/2016	CASEYS-CREDIT CARD DEPARTMENT			
E 101-43100-212	Motor Fuels		\$72.47		ST DEPT GAS
E 101-45200-212	Motor Fuels		\$77.41		PARKS GAS
	total CASEYS-CREDIT CARD DEPARTMENT		\$149.88		
Paid Chk# 9918443	2/12/2016	COTTONWOOD COUNTY AUD/TREAS			
E 101-43150-390	Ditch/Road Assessments		\$2.50		ROAD BENEFITS
	Total COTTONWOOD COUNTY AUD/TREAS		\$2.50		
Paid Chk# 9918444	2/12/2016	DAVID SAVAGE			
E 101-41110-308	Training & Instruction		\$301.09	1/22-23	REIMBURSE FOR CONFERENCE EXPENSES
	Total DAVID SAVAGE		\$301.09		
Paid Chk# 9918445	2/12/2016	EXPERT T BILLING			
E 231-42154-300	Professional Srvs		\$513.00	2615	JANUARY AMBULANCE BILLING
	Total EXPERT T BILLING		\$513.00		
Paid Chk# 9918446	2/12/2016	HEIMAN FIRE EQUIPMENT--USE THI			
E 221-42200-404	Repairs/Maint Machinery/Equip		\$315.75	0842474-IN	FD-BOOTS
E 221-42200-404	Repairs/Maint Machinery/Equip		\$899.70	0842682-IN	1.75 X 50-FIRE HOSE
	Total HEIMAN FIRE EQUIPMENT--USE THI		\$1,215.45		
Paid Chk# 9918447	2/12/2016	HIGLEY FORD			
E 101-42100-406	Vehicle Maint/Gen Repairs		\$189.19	72707	PD EXPEDITION REPAIR
	Total HIGLEY FORD		\$189.19		
Paid Chk# 9918448	2/12/2016	HOLT S CLEANING SERVICE INC.			
E 609-46330-401	Repairs/Maint Buildings		\$212.64		SHAMPOO CARPETS AT 1024 MASONMANOR
	Total HOLT S CLEANING SERVICE INC.		\$212.64		
Paid Chk# 9918449	2/12/2016	KAREN & MAKAYLAS LITTLE CARE			
G 230-10639	Karen & MaKaylas Little Care		\$1,742.20		DAYCARE SUPPLIES-LOAN
	Total KAREN & MAKAYLAS LITTLE CARE		\$1,742.20		
Paid Chk# 9918450	2/12/2016	KDOM RADIO			
E 101-00000-430	Miscellaneous		\$28.00	540160138256	MONTHLY ADV
	Total KDOM RADIO		\$28.00		
Paid Chk# 9918451	2/12/2016	LAKER GRILL			
E 205-46500-430	Miscellaneous		\$42.48		1-8-16 EDA LUNCH
	Total LAKER GRILL		\$42.48		
Paid Chk# 9918452	2/12/2016	LARAWAY ROOFING INC.			
E 450-46300-434	Project Expense		\$1,227.00	1-01900	REPAIR TO PICKERS STORE ROOF
	Total LARAWAY ROOFING INC.		\$1,227.00		
Paid Chk# 9918453	2/12/2016	MAYNARDS FOOD CENTER			
E 101-41400-200	Office Supplies		\$19.84	1/29/2016	SOAP,TP-CITY HALL

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E 101-41400-200	Office Supplies	\$7.79	1/4/2016	TP-CITY HALL
Total MAYNARDS FOOD CENTER		\$27.63		
Paid Chk# 9918454 2/12/2016 MUNICIPAL UTILITIES				
E 101-43160-381	Electric Utilities	\$3,888.30		JANUARY ST LIGHTING
Total MUNICIPAL UTILITIES		\$3,888.30		
Paid Chk# 9918455 2/12/2016 MUSKE, MUSKE, SURHOFF				
E 101-41400-304	Legal Fees	\$4,973.74		ADDITIONAL LEGAL FEES
Total MUSKE, MUSKE, SURHOFF		\$4,973.74		
Paid Chk# 9918456 2/12/2016 NICKEL CONSTRUCTION				
E 211-45500-401	Repairs/Maint Buildings	\$70.50	15306	RED ROCK AND EDGING FOR LIBRARY
Total NICKEL CONSTRUCTION		\$70.50		
Paid Chk# 9918457 2/12/2016 NORTH AMERICAN SAFETY				
E 101-43100-430	Miscellaneous	\$166.47	16357	SAFETY SWEATSHIRTS-ST DEPT
E 101-43100-430	Miscellaneous	\$125.98	16461	SAFETY SWEATSHIRTS-ST DEPT
Total NORTH AMERICAN SAFETY		\$292.45		
Paid Chk# 9918458 2/12/2016 PETERSON DRUG & GIFTS				
E 101-43100-200	Office Supplies	\$15.98	1/19/2016	ST DEPT-OFFICE SUPPLIES
E 101-42100-430	Miscellaneous	\$32.04	12/4/2015	LITHIUM BATTERIES-PD
E 101-43100-200	Office Supplies	\$4.25	12/4/2015	LEGAL PADS-ST DEPT
Total PETERSON DRUG & GIFTS		\$52.27		
Paid Chk# 9918459 2/12/2016 PRAXAIR				
E 231-42154-210	Operating Supplies	\$129.75	54658219	OXYGEN FOR AMBULANCE
E 231-42154-210	Operating Supplies	\$76.56	54695387	OXYGEN FOR AMBULANCE
Total PRAXAIR		\$206.31		
Paid Chk# 9918460 2/12/2016 REAL TIME TRANSLATIONS-ELSA				
E 101-42100-433	Dues and Subscriptions	\$204.00		YEARLY FEE -LANGUAGE LINE FOR PD (ELSA)
Total REAL TIME TRANSLATIONS-ELSA		\$204.00		
Paid Chk# 9918461 2/12/2016 SOUTH CENTRAL COLLEGE				
E 231-42154-308	Training & Instruction	\$300.00	00144087	EMT TESTING FEE
Total SOUTH CENTRAL COLLEGE		\$300.00		
Paid Chk# 9918462 2/12/2016 SW/WC SERVICE COOPERATIVES				
E 101-42100-135	Employer Paid Other	\$420.50		MARCH HEALTH INS-BRIAN LUNZ
E 101-42100-135	Employer Paid Other	(\$841.00)		JAN & FEB HEALTH INS-KEN BRADFORD
E 205-46500-131	Employer Paid Health	\$1,229.42		MARCH HEALTH INS-EDA
E 101-45200-131	Employer Paid Health	\$737.66		MARCH HEALTH INS-PARKS DEPT
E 101-46200-131	Employer Paid Health	\$737.64		MARCH HEALTH INS-CEMETERY
E 211-45500-131	Employer Paid Health	\$1,229.42		MARCH HEALTH INS-LIBRARY
E 101-42100-131	Employer Paid Health	\$3,224.16		MARCH HEALTH INS-POLICE DEPT
E 101-41400-131	Employer Paid Health	\$2,458.84		MARCH HEALTH INS-OFFICE
E 101-43100-131	Employer Paid Health	\$2,212.96		MARCH HEALTH INS-ST DEPT
Total SW/WC SERVICE COOPERATIVES		\$11,409.60		
Paid Chk# 9918463 2/12/2016 TOWNS EDGE AUTO				
E 101-42100-406	Vehicle Maint/Gen Repairs	\$918.23	75003	PD EXPEDITION REPAIR
Total TOWNS EDGE AUTO		\$918.23		
Paid Chk# 9918464 2/12/2016 UNIFORMS UNLIMITED				
E 101-42100-205	Uniforms	\$865.00	12693-2	VEST FOR JACOB VITZTHUM

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Total UNIFORMS UNLIMITED		\$865.00		
Paid Chk#	9918465 2/12/2016	WINDOM FARM SERVICE		
E 101-43100-404	Repairs/Maint Machinery/Equip	\$35.16	159933	GASKET-STREET EQUIP
Total WINDOM FARM SERVICE		\$35.16		
Paid Chk#	9918466 2/12/2016	WINTER EQUIPMENT CO		
E 101-43100-404	Repairs/Maint Machinery/Equip	\$399.56	IV29343	PLOW GUARDS-ST DEPT
Total WINTER EQUIPMENT CO		\$399.56		
10100 United Prairie		\$149,688.15		

Fund Summary

10100 United Prairie		
101 GENERAL FUND		\$38,556.97
205 ECONOMIC DEVELOPMENT AUTHORITY		\$1,782.19
211 LIBRARY FUND		\$1,338.34
221 FIRE DEPT FUND		\$1,257.64
230 REVOLVING LOAN FUND		\$4,128.10
231 AMBULANCE FUND		\$1,360.47
303 TIF #1-5 POPD KERNS		\$400.78
450 DOWNTOWN-ROSS PROJECT		\$98,607.00
507 LAKE COMMISSION FUND		\$153.94
607 EDA----4 PLEX FUND		\$663.12
608 EDA----8 PLEX FUND		\$390.62
609 EDA-- MASON MANOR		\$1,048.98
		\$149,688.15

Paid Chk#	000424E 2/4/2016	STATE OF MINNESOTA		
E 211-45500-430	Miscellaneous	\$3.00		SALES TAX ON COPIES MADE AT LIBRARY
Total STATE OF MINNESOTA		\$3.00		
Paid Chk#	000425E 2/8/2016	UNITED PRAIRIE BANK		
E 609-46330-610	Interest	\$865.93		FEB MASON MANOR-INTEREST PAYMENT
G 609-22800	Notes Payable - Current	\$424.60		FEB MASON MANOR-PRINC PAYMENT
Total UNITED PRAIRIE BANK		\$1,290.53		

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**Regular Council Meeting
Mountain Lake City Hall
Monday, February 1, 2016
6:30 p.m.**

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

Members Absent: None

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

Others Present: Mike Johnson, Hometown Sanitation; Doug Regehr

Call to Order

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

Agenda and Consent Agenda

Motion by Kass, seconded by Savage, to amend the consent agenda with the addition of 2g. Declare as Excess Property and Sell the Utility's 1981 Chevy C70 Digger-Derrick. Motion carried unanimously. Motion by Kass, seconded by Savage, to approve the consent agenda as presented and adopt the agenda as amended. Motion carried unanimously.

Bills: Check #'s 9918338-9918406; 423E

Payroll Checks #'s 62261-62291

Jan. 19 Council Minutes and Jan. 26 Public Meeting Minutes

Jan. 11 Planning and Zoning Commission Minutes and Jan. Building Permits

Jan. 14 Utility Commission Minutes

Sept. 14, 2015 Tree Commission Minutes

Public

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

Solid Waste Services Contract, Hometown Sanitation, Mike Johnson

The current contract ending April 1, 2016 reviewed. Johnson discussed the revisions to the contract that Hometown is requesting and asked if the council had revisions of their own. The length of contract, scheduled price increases, and fuel costs were discussed. Hometown will prepare a draft contract for the council's consideration at a future meeting.

Active Places Demonstration Project

Blue Cross/Blue Shield has announced a grant opportunity for temporary, low-cost projects that

contribute to the long term goal of making the community more accessible to all types of physical activity. Ideas were shared and discussed. The administrator was directed to gather information about possible events for discussion at the next council meeting.

Insured Cash Sweep

United Prairie Bank is asking that the city consider moving to Insured Cash Sweep (ICS) a different way of providing collateral tracking (pledging) for city accounts at the bank. ICS meets the requirements of state statute. The program was discussed and the matter tabled. The council asked that a United Prairie representative attend the next council meeting to discuss the request in greater detail.

Conditional Use – Wi-Fi Tower at Campground

The city has petitioned for a conditional use to erect a tower for Wi-Fi service at Island View Campground in accordance with Mt. Lake Code Section 9.34. The Planning and Zoning Commission considered the request at a public hearing and is recommending to the council that the conditional use be granted with the stipulation that a new tower be installed. Motion by Kruser, seconded by Savage, to accept the recommendation of the commission and approve the conditional use with the new tower stipulation. Motion carried unanimously.

Pay Equity Report

The report was reviewed. Motion by Kass, seconded Ysker, to approve the report. Motion carried unanimously.

Resolution #4-16, Establish Procedures Related to Reimbursement Bond Regulations

At this time the city intends to self-fund the power plant engine upgrades required by National Emission Standards for Hazardous Air Pollutions (NESHAP). The resolution is needed if the city later decides to bond for the project. Motion by Savage, seconded by Kruser, to adopt Resolution #4-16. Motion carried unanimously.

Resolution #5-16 Support Increasing Local Government Aid*(56)

The resolution was discussed. The Coalition of Greater MN Cities has requested the city adopt the ordinance supporting the increase of Local Government Aid (LGA). Motion by Kruser, seconded by Kass, to adopt Resolution #5-16 as amended. Motion carried unanimously.

City of Mountain Lake vs. Kenneth Yoder and Rachel Yoder

Nelson closed the open meeting and opened the closed meeting at 7:47 p.m. attorney/client privilege. The closed meeting was closed and the open meeting opened at 7:58 p.m. No action taken.

Adjourn

Motion by Ysker, seconded by Kruser, to adjourn at 7:59 p.m. Motion carried.

REGULAR MEETING
ECONOMIC DEVELOPMENT AUTHORITY
January 8, 2016
12:00 Noon

PRESENT: Mark Hanson, Vern Peterson, Mike Nelson, Brian Harder, Steve Syverson, Darla Kruser, Jerry Haberman and Clara Johnson, Advisory
ABSENT: Brad Hanson, Advisory
STAFF PRESENT: Rob Anderson, Wendy Meyer, City Administrator
GUESTS: Cheryl Hiebert, The Observer/Advocate

1. Call to Order: Mark called the meeting to order.
2. Consent Agenda. Motion made and seconded by Mike and Jerry to approve the minutes, bills and financials as presented. Carried.
3. Election of 2016 Officers. Motion made and seconded by Brian and Jerry to keep the same slate of officers for 2016 - Mark Hanson as President and Vern Peterson as Vice-President. Mark stated that he will be gone for the February and March meetings and would welcome someone else stepping up to take the position. After further discussion, Mark agreed to serve another 1 year term as President. Carried. Mark abstained from the vote.
4. 2015 EDA Work Plan Year End Report. Motion made and seconded by Jerry and Mike to approve the 2015 EDA Work Plan Year End Report and recommend that the City Council do the same. Carried. Mark commented that 2015 was a very good year for the EDA.
5. The Overland Group, Termination of Contract. Discussion about the termination and potential locations for Dollar General occurred. No action taken.
6. Update on Karen & MaKayla's Little Care Bear's. Rob reported that the Fire Marshal has conducted his inspection and there are some major issues with the property. The basement is the only level that is sprinkled. The main floor and third floor must be sprinkled to be a day care center. Additionally, the third floor will need an exterior door and stairway installed. The main floor needs 2 new egress windows installed as the current windows are not big enough. Fire retardant paint will need to be painted on all wood paneling on main and third floor areas. These improvements are not needed to operate as a family care facility. However, meals must be prepared in the basement kitchen and served to children on the main floor. Karen has been talking to the fire sprinkler company that installed the basement fire sprinkler system and she has talked to Bergen about the third floor door/stairs. Karen is finding that many local contractors are very busy right now. Discussion followed about the level of investment needed. It was the general consensus of board members that more information is needed. Rob stated

that the Fire Marshall will be providing a written report on what is needed and we will get additional quotes on construction items. Rob was directed to contact Herrig's to see if they would give us a quote on construction work that needs to be done. President Hanson stated that the EDA Construction Committee of Mike, Brian and Jerry should meet and go over construction estimates when they are received instead of waiting until the next board meeting and email can be used to get board consensus before hiring work to be done. Steve suggested looking for grants that can help pay for work that needs to be done. He suggested contacting the Remick Foundation and Western Community Action for potential grants.

7. TIF District 1-8, Economic Development District No. 2 (Downtown Redevelopment Project).
 - a. Demo. Rob reported that the demolition was completed with some issues, but for the most part demo went well. Rob stated that Herrig's reported that the ground where they are working on the north side of the 10th Street Pickers building felt soft when they had their equipment on it. The ground needs time to compact, but we should have Brunton Architect's down to take a look at compaction. Rob stated that Nene Smestad contacted him about putting gravel in the back of her building. Mike stated that Nickel will do this in the spring and it can be included under the depot moving budget because the foundation debris that was put there was from the depot. It was suggested that crush rock be put back behind Nene's building. Rob stated that we have not yet received an invoice from Brunton. It was recommended that when the Rehneit invoice is received that a portion of it be withheld until the compaction question can be answered. No further action taken at this time.
 - b. Construction at 318 10th Street North. Mark reported that Herrig's has ordered the steel and should have it by next week and then be done with work by the following week. Laraway Roofing has been down to oversee the roof work.
 - c. Design of New Building, Discuss Housing Need in Community & EDA Role. Discussion about housing needs took place. Rob suggested that it is wise to wait and construct the new building until tenants have been secured. Having apartments on the second floor would create cash flow that would help have spec space on the first floor if tenants can't be secured at this time. An option for the new downtown building be apartments on one level. After further discussion, Rob was instructed to contact Parkwood, Rodney's, Laker Apartments and Brad Hanson to get all together for a meeting to discuss housing needs, vacancy rates, rent amounts, etc.
 - d. Other. Rob reported that Caltha's soil samples taken during demolition were negative for contamination. We will now request that MPCA conclude that no further action is required. This is good news because if contamination were found, a monitoring well would have been required to be installed on site at great cost.

8. Industrial Park Planning. Jerry mentioned that Mabel Pankratz passed away. We have been under the assumption that when Mabel passes the land north of Highway 60 and Third Avenue would be available to purchase for industrial park development. Brian will contact Steve Pankratz to see about their level of interest in selling land. Also Bill Watkins has passed away. The EDA has long thought it to be a good idea to try to acquire property along Co. Rd. 27 when it becomes available for industrial use. Brian mentioned that it would be a good idea to talk to Brad Bargaen again about Midstates need for a new location. Brian will contact Brad. Rob cautioned board members that each

property discussed is of great interest to the EDA but we do have limited resources. Each property development would likely be a TIF district, but with past city bonding, the dollar amount of new projects might be limited to financing availability.

9. Web Site. Rob reported that web site development is underway. It has taken longer than originally anticipated because of the large amount of information that the developer is requesting from staff. After discussion it was decided that it would be best to get the site open even if there are parts that have to be listed as "under construction" for now. Darla mentioned that it is important to have good, accurate information on the city's web site. When she first moved to town she was unable to find information on how to sign up for Nixle.

10. General Discussion: a. Custom Motors/Fulda Credit Union. Rob reported that the Fulda Credit Union has contacted Bill Anderson and they are interested in opening a branch office in the Custom Motors building. Rob has met with Bill to see what his plans are and to let Bill know about lease requirements for subletting. Bill has informed Rob that he is close to raising funds to purchase the building from the EDA. No action taken. b. Dentist. Vern asked board members if there was any place downtown to put a dentist. It was suggested that either The Observer/Advocate building or Paul Harder barber shop are available spaces. We will continue discussion about available space and what it would take to get a dentist in town on a part-time basis. c. Free Lot Program. Rob was directed to contact both the Dick's and Puente's to see what their plans are for building this year and we need a decision before considering granting another extension.

11. Meeting adjourned at 1:07 p.m.

Mountain Lake Public Library Board Minutes
January 13, 2016

Members Present: Diane Englin, Marci Hernandez, Dennis Cords, Barrie Wright, Vickie Krueger, Carol Lehman-Director

Members Absent: None

Others Present: None

The meeting was called to order at 4:27 p.m. by chairman, Barrie Wright.

M/S/P Englin/Cords to approve the minutes of the December 30, 2015 meeting.

Carol presented the December monthly report indicating 2,962 total circulation and expenditures in the amount of \$2,681.65. **M/S/P Englin/Krueger** to accept the report as given and to approve the December expenditures.

New Business: Carol reported that plans are underway for a children's program, *Once Upon a Reader Trunk Show*, presented by author/illustrator, Derek Anderson. The program is geared to children preschool age through 1st or 2nd grade. Anderson is scheduled to do Legacy-funded programs throughout the Plum Creek region next October.

Election of Officers: **M/S/P Englin/Wright** to cast a unanimous ballot to elect Barrie Wright as board chair and Marci Hernandez as secretary. Both members are willing to continue serving as officers.

Library Activity report for December was given.

Meeting adjourned at 5:20 pm by chairman, Barrie Wright.

NEXT MEETING: Wednesday February 10, 2015 – 4:00pm.

Respectfully submitted,

Marci Hernandez, secretary

CITY OF MOUNTAIN LAKE

PUBLIC LIBRARY REPORT

MONTH OF January, 2016

CIRCULATION AND USE

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

TOTAL CIRCULATION 2,811

Interlibrary loan sent	<u>320</u>
Interlibrary loan received	<u>288</u>

TOTAL ILL 608

ILL NON SYSTEM 104

RECEIPTS

Cash income	<u>89.34</u>
Donations (monetary)	_____
County Revenue	_____
Misc. Revenue	_____
Fines	<u>8.00</u>
Meeting room rental	_____
Sale of supplies	_____

TOTAL RECEIPTS 97.34

EXPENDITURES

Books	<u>6,214.13</u>
Periodicals	_____
Audio-visual	<u>214.73</u>
Supplies	<u>328.04</u>
Postage	<u>49.00</u>
Miscellaneous Delivery	<u>6,445.00</u>
Telephone	<u>68.78</u>
Repairs & maintenance	<u>345.00</u>
Repairs & maint. of equipment	_____
Project expense	<u>315.60</u>
Capital outlay	_____
Automation	<u>3,056.66</u>
Gas Utilities	<u>280.79</u>
TOTAL EXPENDITURES	<u>\$7,317.73</u>

40.34
49.00

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LIBRARY DIRECTOR

Carol Lehman

LIBRARY EXPENDITURES - JANUARY 2016

Frontier	Telephone Expense	\$68.78
Dennis Hulzebos	Repairs & Maintenance-Janitorial	\$345.00
Indoff, Inc.	Supplies	\$144.70
Ingram	Books	\$332.38
MN Energy Resources Corp.	Gas Utilities	\$280.79
PCLS	Supplies 143.00 Project Expense 315.60	\$458.60
PCLS	Books 856.18 (eBooks) Misc. 1,445.00 (delivery) Automation 3,056.66	\$5,357.84
Synchrony Bank/Amazon	Books 25.57 / AV 214.73	\$240.30
		<hr/>
		\$7,228.39
	Cash Expenditures	\$89.34
		<hr/>
	Total	\$7,317.73



Police Commission Minutes

Police Commission Meeting
January 14, 2016

Members Present: Garrett Wall, Chuck Witt, Wendy Meyer, Doug Bristol, Norm Kunkel

Called to Order: Norm Kunkel

December minutes were read and approved with a motion by Chuck Witt and a 2nd by Garrett Wall.

Annual Zuercher Report: Call volume for 2015 was average.

2015 budget won't be finalized until approximately April.

Expedition is back but still has issues. Possibly the fuel pump.

The Charger is back in service with a new motor.

New vehicle was ordered January 5, 2016. Will be here in 90-120 days.

Reported on Jacob Vizthum's progress: he's doing well, will be on his own very soon.

Received Officer Tera Hahle's resignation - effective 2/29/16.

It was decided to get her a plaque for her years of service.

Norm Kunkel volunteered to take over the Secretarial duties.

Motion to adjourn: Garrett Wall, 2nd Chuck Witt.

Respectfully submitted,

Norm Kunkel

Resolution #6-16
Mountain Lake City Council
Mountain Lake, Minnesota

A RESOLUTION ATTACHING PRIVATE SEWER LINE REPLACEMENT COSTS
TO PROPERTY TAXES FOR COLLECTION FOR 819 11th STREET N.; PIN 22.443.0180;
LOT 9, KLAASSEN'S RE-ARRANGEMENT, CITY OF MOUNTAIN LAKE

Whereas, according to Cottonwood County land records Anadina Lugo is the taxpayer, and Mark and Sharron Hanson the owners of 819 11th St. N. (PIN 22.443.0180), and

Whereas, the City of Mt. Lake undertook a three (3) year utility and street project to reduce the inflow and infiltration (I & I) which including the inspection by camera of private sewer lines, and

Whereas, the private sewer line at 807 4th Ave. was inspected by camera in 2013, and

Whereas, the taxpayer and owners of 819 11th St. N. were notified by a letter dated May 28, 2014 that the private sewer line on the property did not meet city code and needed to be replaced by May 28, 2015, and

Whereas, the private sewer line at 807 4th Ave. was not replaced by May 28, 2015, and

Whereas, the City of Mt. Lake notified the taxpayer of 819 11th St. N. by a letter dated Sept. 15, 2015 that to the best knowledge of the city the work had not been done, that city code gave the city the authority to replace the line and attach the cost to the property tax, and that the city had hired a contractor to do the work, and

Whereas, the City of Mountain Lake did hire Nickel Construction to replace the private sewer line at 819 11th St. N. at a cost of \$2,846.64.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mt. Lake that it approve the certification as listed above, payable in five installments at an annual rate of 2% interest.

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

Adopted by the Council this 16th day of February 2016.

Mike Nelson, Mayor

ATTEST: _____
Wendy Meyer, Administrator/Clerk

February 10, 2016

TO: Mountain Lake Fire Department

After 20 years on the department it is time to retire and let the younger ones answer the late night calls.

I enjoyed being a member of the department.

A handwritten signature in cursive script, appearing to read "Rick Oeltjenbruns".

Rick Oeltjenbruns



We'll help you get there.™

United Prairie Bank
1545 1st Avenue, Hwy 60 East
Windom, MN 56101
Phone: 507.831.3000
Fax: 507.831.3003
unitedprairiebank.com

January 26, 2016

Attn: Wendy Meyer
City of Mountain Lake
Mountain Lake, MN 56159

RE: ICS Proposal

Dear Wendy,

I wanted to touch base with you after our conversations regarding the Insured Cash Sweep Program and how it can benefit both the City of Mountain Lake and United Prairie Bank. This program will provide access to FDIC insurance on your funds while reducing the ongoing collateral tracking (pledging) requirements. There is online access whereby account balances, withdrawals, placements and other information is available at your fingertips. (Please refer to the tabbed binder provided earlier)

The program complies with the Minnesota State Statute 201, section 385.07 and is fully integrated with United Prairie Bank. The process is very straightforward - you set up an account with us and deposit funds and transact business as normal. The Deposits are sent to deposit accounts at other financial institutions who belong to the ICS Network in amounts under the standard FDIC Insurance maximum of \$250,000.00. The entire process can be accomplished and fully functioning within a matter of days.

There is an ICS Deposit Placement Agreement and a Custodial Agreement to be signed. I have provided two samples for your review – one with a *target* balance and one with a *threshold* balance.

United Prairie suggests using the *target* balance agreement. This gives the customer the flexibility to set an account balance to maintain in the account. At end of the day when the account settles there are minimum and maximum sweep amount increments that keep the balance at or near the target. This option limits the number of sweeps due to settlement at end of day.

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The *threshold* option is where there is a minimum balance to maintain in the account and the account sweeps back and forth to maintain a balance between that minimum and the \$250,000.00 FDIC insurance amount. This option would mean numerous sweep entries could occur throughout the processing day to maintain the pre-determined threshold.

Currently, the City of Mountain Lake has on account with United Prairie the following account balances and rates:

Checking	\$2,196,505.69	.0099%
Savings	\$1,848,450.54	.2691%
Certificates	\$ 17,128.61	.1499%
Total Deposits	\$4,062,084.84	.1284% weighted rate

The City is also not being assessed the \$50.00 monthly cash management fee. Cash Management is the commercial online system whereby transfers between accounts, payroll entries (ACH) and wires may be initiated. It offers additional security features and limits access per employee.

I would like to extend the offer of 20 bp on the entire relationship (an increase of 7 bp from current rate). Based on your current balances and proposed rate increase, this would equate to an **additional \$2,843/year** of earned interest ($\$4,062,085 \times .0700\% = \$2,843$). This will more than cover the \$2.50 ACH file fee that would go into effect. During this transition, support will be provided up to such a time as when staff is confident and it is functioning as intended.

United Prairie will be upgrading your business checking account in the near future. This upgrade will offer various online packages which will have refundable fees based on relationship balances. One of our knowledgeable staff members will be contacting you to set up an appointment to discuss.

Please do not hesitate to contact me with any questions or concerns you may have. I look forward to working on this exciting program with you and helping us both to get there.

Thank you,

United Prairie Bank



Jeremy Janssen
Market President

RELEVANT LINKS:

26 U.S.C. § 408(a).

26 U.S.C. § 457.

26 U.S.C. § 401(d).

29 U.S.C. § 1002(34).

Certain types of retirement funds have FDIC coverage up to \$250,000 for each trustee or beneficiary. (This coverage amount will not revert to \$100,000 in 2010.) This “pass-through” coverage means employers that offer certain types of retirement savings plans will be able to have FDIC coverage for up to \$250,000 for each beneficiary. The following types of retirement accounts are eligible for this type of FDIC coverage:

- Qualified individual retirement accounts (IRAs).
- Qualified 457-deferred compensation plans for state and local governments.
- Qualified trusts forming part of a pension or profit-sharing plan that benefits self-employed individuals (Keogh plans).
- Individual accounts or defined contribution pension plans that provide individual accounts for each participant and for benefits based solely upon the amounts contributed to the particular account, and any income, expenses, gains and losses, and any forfeitures of accounts of other participants which may be allocated to such participant’s account (including 401(k) plans).

Some of the above exceptions have limited application to Minnesota cities. And, although one might argue that some of these apply to a volunteer firefighters’ relief association, it is unclear whether or not a firefighters’ relief pension plan would be eligible for this type of “pass-through” coverage. Depositors of these funds should check carefully to ensure their plans will be eligible before depositing an amount in excess of \$250,000. At the same time, as a practical matter, most retirement funds are invested rather than deposited to ensure greater returns for the beneficiaries.

C. Collateral

If the funds on deposit at the close of a financial institution’s banking day exceed the FDIC coverage limit amount, a city must require the financial institution to furnish either a corporate surety bond executed by a company authorized to do business in the state or collateral security.

“Banking day” is defined as that part of any business day in which an office of a bank is open to the public for carrying on substantially all of its banking functions. The banking day ends at “cutoff,” an hour of 2 p.m. or later set by the bank as a final hour for the handling of money and items and the making of entries in its books. Items or deposits received after the bank’s cutoff hour may be treated by the bank as being received at the opening of the next business day.

The total amount of the collateral computed at its market value must be at least 10 percent more than the amount on deposit at the close of the financial institution’s banking day, except when the collateral is irrevocable standby letters of credit issued by Federal Home Loan Banks.

Minn. Stat. § 118A.03, subd. 1.

Minn. Stat. § 118A.03, subd. 1.
12 C.F.R. § 229.2(f).
Minn. Stat. § 336.4-108.

Minn. Stat. § 118A.03, subd. 3.

RELEVANT LINKS:

Minn. Stat. § 427.01.

In that case, the amount of collateral must at least equal the amount on deposit at the close of the financial institution's banking day. The financial institution may furnish both a surety bond and collateral aggregating the required amount.

Minn. Stat. § 118A.03, subd. 1.

Under the older statute, statutory cities and fourth class home rule charter cities have special collateral requirements. The financial institution must provide a bond to these cities in at least double the amount of the deposit if the deposit is neither FDIC insured, nor protected by collateral or corporate surety bond under Minn. Stat. § 118A.03.

Minn. Stat. § 469.052, subd. 1.
Minn. Stat. § 469.099, subd. 1.

While some banks are not FDIC insured, most are covered by FDIC insurance. But again, deposited amounts subject to and in excess of the \$250,000 insurance limit must be protected by collateral or a corporate surety bond.

Note that all funds belonging to a port authority or EDA must be bonded or collateralized, regardless of whether deposit insurance applies.

1. Ensuring the city will receive the collateral

If collateral is required from one depository, the collateral is held by a second unrelated depository. If the first depository fails, then the city doesn't have a right to the collateral unless it has "perfected its interest in the pledge of collateral."

12 U.S.C. § 1823(e)(1).

Generally, the following steps must be taken to perfect a security interest in pledged collateral under federal law:

- The assignment must be in writing.
- The assignment must have been executed at the same time the deposit was received by the depository.
- The assignment must have been approved by the depository's board of directors or loan committee, and the approval must be reflected in the minutes of the board or committee.
- The assignment must have been continuously, from the time of its execution, an official record of the depository.

North Ark. Med. Ctr. v. Barrett, 962 F.2d 780 (8th Cir. 1992).

12 U.S.C. § 1823(e)(2).

In 1992, a federal court awarded a public depositor's collateral to the FDIC because the interest in the collateral was not perfected by following those steps. This prompted Congress to amend federal law to provide an exemption from some of these requirements for public deposits. The current law says an agreement to provide for collateralization of a city's deposit will not be deemed invalid solely because the agreement was not executed at the same time the collateral was acquired. Nor will the agreement be invalid because of pledges, delivery, or substitution of the collateral made in accordance with such agreement.

RELEVANT LINKS:

See Part III for a detailed description of these instruments.

Minn. Stat. § 118A.03, subd. 2(1).

Minn. Stat. § 118A.03, subd. 2(2).

Minn. Stat. § 118A.03, subd. 2(3).

Minn. Stat. § 118A.03, subd. 2(4).

Minn. Stat. § 118A.03, subd. 2(5).

Minn. Stat. § 118A.03, subd. 2(6).

Minn. Stat. § 118A.03, subd. 4.

Minn. Stat. § 118A.03, subd. 4.

Minn. Stat. § 118A.03, subd. 5.

2. Securities that may be pledged as collateral

The following forms of securities collateral are allowed in lieu of a corporate surety bond:

- United States government treasury bills, treasury notes, and treasury bonds.
- Issues of U.S. government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity.
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue securities of any state or local government which is rated "AA" or better by a national bond rating service.
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity.
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investor's Service, Inc., or Standard & Poor's Corporation.
- Time deposits that are fully insured by any federal agency.

United States treasuries and government agencies are most common. These instruments are usually preferred because they are liquid, safe, and easily traded.

3. Assignment of collateral

Any collateral that is pledged must be accompanied by a written assignment to the city from the financial institution. The assignment must state that, upon default, the financial institution must release to the city on demand, free of exchange or any other charges, the pledged collateral.

Interest earned on assigned collateral will be remitted to the financial institution as long as it is not in default. The city may sell the collateral to recover the amount due. Any surplus from the collateral must be paid to the financial institutions, its assigns, or both.

4. Excess collateral

A financial institution may withdraw excess collateral or substitute other collateral after giving written notice to the government entity and receiving confirmation. The authority to return any delivered and assigned collateral rests with the government entity.

RELEVANT LINKS:

Minn. Stat. § 118A.03, subd. 6.

See *North Ark. Med. Ctr. v. Barrett*, 962 F.2d 780 (8th Cir. 1992), mentioned above.

Minn. Stat. § 118A.03, subd. 4.

Minn. Stat. § 118A.03, subd. 7.

See GASB.

See the State Auditor's factsheet on GASB Statement 34.

Minn. Stat. § 6.47.

5. Default of financial institution

Default of a financial institution includes, but is not limited to, any of the following:

- Failure to make interest payments when due.
- Failure to promptly deliver upon demand all money on deposit (less any early withdrawal penalty that may be required in connection with the withdrawal of a time deposit).
- Closure of a depository.

If a financial institution closes, all deposits are immediately due and payable. However, it is not a default to require prior notice of withdrawal if such notice is required as a condition of withdrawal by federal law or regulation.

Interest earned on assigned collateral will be remitted to the financial institution as long as it is not in default. The city may sell the collateral to recover the amount due. Any surplus from the collateral must be paid to the financial institutions, its assigns, or both.

6. Safekeeping collateral

All collateral must be placed in safekeeping. The city council must approve the selection. The council may select from among the following places to keep the collateral:

- A restricted account at a Federal Reserve Bank.
- An account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

Some representatives of financial institutions maintain they do not own or control other branches of the same institution. Cities should not assume that placing collateral in a different branch of the same bank would be appropriate.

7. GASB considerations

The Government Accounting and Standards Board (GASB) is an independent organization that establishes standards of accounting and financial reporting for local governments. The state auditor regards GASB as the "acknowledged authoritative body in setting generally accepted accounting principles (GAAP) for local and state agencies." And, since the state auditor prescribes suitable systems of accounts and budgeting for all cities, the statements promulgated by GASB require some attention.

RELEVANT LINKS:

GASB Statement No. 40.
See State Auditor's Statement
of Position on Custodial
Credit Risk.

See Part V. *Outline of an
investment policy.*

According to the state auditor, GASB Statement No. 40 requires notes to financial statements to disclose a public entity's investment policy provision regarding custodial credit risk and the extent to which city deposits are exposed to custodial credit risk. Compliance with Minnesota Statutes eliminates custodial credit risk for deposits, but the state auditor still recommends language for a city investment policy. The auditor's recommended language is included in the investment policy outline at the end of this memo.

III. Investments

Many cities invest idle funds in order to gain the best returns from their money. Generally, investments see higher returns than the amount of interest normally given on deposits. Although the primary goal should always be to safeguard the principal, another goal is to achieve returns that keep up with inflation and provide a market rate of return. Given high enough returns, the city can actually make a profit. However, higher returns often mean greater risks.

A. Authority for investments

Any public funds may be invested if not needed for other purposes or restricted for other purposes. Such investments are subject to certain conditions, depending upon the instrument that is used.

Minn. Stat. § 118A.04, subd.
1.

B. Broker's annual notification and certification

Cities must annually give all brokers a written statement of investment restrictions and notification that all future investments are to be made in accordance with Minnesota statutes governing the investments of public funds. The broker must also annually acknowledge the receipt of the investment restrictions.

Minn. Stat. § 118A.04, subd.
9(b).

Minn. Stat. § 118A.04, subd.
9(c).

A "broker" includes any broker, broker-dealer, or agent of a government entity who transfers, purchases, sells, or obtains securities for or on behalf of a government entity.

Minn. Stat. § 118A.04, subd.
9.

A city cannot enter into a transaction with a broker until the form has been completed by the broker and returned to the city. The state auditor is responsible for preparing this notification form.

State Auditor's Broker
Notification Form.

C. Permitted investments

Cities are authorized to invest in a number of different types of investments. Many of these instruments must meet certain criteria, which are discussed in detail in the following sections.

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LIABILITY COVERAGE – WAIVER FORM

LMCIT members purchasing coverage must complete and return this form to LMCIT before the effective date of the coverage. Please return the completed form to your underwriter or email to pstech@lmc.org

This decision must be made by the member's governing body every year. You may also wish to discuss these issues with your attorney.

League of Minnesota Cities Insurance Trust (LMCIT) members that obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits apply regardless of whether the city purchases the optional excess liability coverage.
- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could potentially recover up to \$2,000,000 for a single occurrence. (Under this option, the tort cap liability limits are waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2 million.) The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LMCIT Member Name _____

Check one:

- The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minnesota Statutes, Section 466.04.
- The member **WAIVES** the monetary limits on municipal tort liability established by Minnesota Statutes, Section 466.04 to the extent of the limits of the liability coverage obtained from LMCIT.

Date of city council/governing body meeting _____

Signature _____ Position _____

City of Mt. Lake Workers' Comp. Premium Options

1. Regular Premium – Premium payments are the city's only responsibility of liability. The city would be 'fully insured'.
2. Retrospective rating – A city's final premium cost reflects its own, actual loss experience for a year. Cities with standard premiums of \$25,000 or more can select one of three retrospective options. Retrospective rating is a form of risk retention.

Cities that select a retrospective rating option pay a deposit premium to League's Insurance Trust (LMCIT) at the beginning of the agreement period. Six months after the end of the agreement year the premiums are adjusted to reflect the city's actual incurred losses for that year. That adjustment is repeated annually until all claims from the agreement period are closed.

If Mt. Lake deposit premium is \$40,847 based on estimated payrolls Mt. Lake's minimum and maximum retro premiums would be:

	Est. Minimum	Est. Maximum
Option 1	\$31,628	\$51,302
Option 2	\$30,602	\$55,763
Option 3	\$28,684	\$66,915

In a best case scenario Mt. Lake would have no losses; the city would pay the minimum. If Mt. Lake took Option 1 and had no losses the savings would be \$9,219 (\$40,847- \$31,628). In a worse case scenario it would take a claim of \$19,674 to bring the premium to the maximum, \$51,302. In that case the city would pay about \$10,455 more than the regular option.

Below is Mt. Lake's 10 Year Loss History from LMCIT:

10 Year Loss History			
Losses From	Total Incurred	SCF Assessment (indemnity X estimated 25%)	Sum
4/1/04-4/1/05	\$9,026	\$720	\$9,746
4/1/05-4/1/06	\$17,431	\$1,019	\$18,450
4/1/06-4/1/07	\$200	\$0	\$200
4/1/07-4/1/08	\$0	\$0	\$0
4/1/08-4/1/09	\$193	\$0	\$193
4/1/09-4/1/10	\$14,210	\$375	\$14,585
4/1/10 – 4/1/11	\$1,147	\$0	\$1,147
4/1/11 – 4/1/12	\$0	\$0	\$0
4/1/12-4/1/13	\$80,427	\$7,135	\$87,562
4/1/13-4/1/14	\$1,851	\$0	\$1,851
4/1/14-4/1/15	\$0	\$0	\$0
Total	\$124,485	\$9,249	\$133,734
Ave.	\$12,449	\$925	\$13,373

3. Deductible Options – City pays a lower premium in return for agreeing to reimburse LMCIT for paid medical losses up to a set deductible based on the city’s estimated standard premium of \$44,610. There are eight deductible options –

<u>Deductible per Occurrence</u>	<u>Premium Credit</u>	<u>Credit Amount</u>
\$250	1.10%	\$491
\$500	2.00%	\$892
\$1,000	3.40%	\$1,517
\$2,500	6.00%	\$2,677
\$5,000	9.00%	\$4,015
\$10,000	12.50%	\$5,576
\$25,000	20.00%	\$8,922
\$50,000	26.00%	\$11,599

TO: Council
RE: E-mail Addresses

The city's current e-mail addresses xxxx@mountainlake.govoffice.com do not belong to the city.

The city does own xxx.mountainlakemn.com

Rather than change e-mail addresses I asked our current website and e-mail provider if the city could continue to pay for the current e-mail addresses as the city does now.

This is the answer I received from Avenet.

Unfortunately our email hosting is tied into the website hosting. So, without paying for website hosting we'd turn off the emails as well (you can't pay for just the emails). So this is what I can do.

*I can create a new invoice that would run hosting (both emails and the website) thru 6-30-16 for a total of \$500. Typically we tell clients with emails that 4-6 months is a good length of time to continue the emails (to avoid missing something). Let me know if you'd be ok with that.
Thanks!!*

*Scott Ploehn
Finance Manager
Avenet.net
612.617.5706*

I am recommending that the city enter into the agreement offered by Avenet to provide a smooth transition.

RE: Guaranteed Energy Savings Program (GESP)

The city received proposals from McKinstry and Siemens. The proposals are being evaluated by Wendy, David and Dana, with the use of criteria provided by the Dept. of Commerce. The three evaluators will be meeting with Lindsay Wimmer, Dept. of Commerce, on Tues. Feb. 16 to review the evaluations. If necessary to break a tie the city can schedule interviews; they would be held Thurs. Feb. 25. The work should be awarded on March 7 with notification to be made March 8.

Wendy Meyer

From: Diana Madsen <diana.madsen@dvhhs.org>
Sent: Thursday, January 21, 2016 9:12 AM
To: Wendy Meyer; Jennifer Bromeland; Bruce Heitkamp; Dwayne Haffield
Subject: Active Places Grant Opportunity

Good Morning City Administrators!

Over the past year, you have spent a great deal of time planning and prioritizing active living opportunities in your community. The Center for Prevention at Blue Cross and Blue Shield of MN has announced a new funding initiative to support the planning and completion of Active Places demonstration projects. Active Places demonstration projects are temporary, low-cost projects that aim to build momentum for future, long-term changes within a community. They must contribute to a long-term goal of making a community more accessible to all types of physical activity, including walking and biking. Active Places demonstration projects could include pop up parks, temporary "bump outs" at busy intersections and temporary plaza/gathering spaces.

If you are interested in brainstorming potential project ideas for your community, please let me know. **Application deadline is Friday, March 4, 2016 at 1 p.m. Central time.** There is an optional webinar on January 27 at 12:30 p.m. Central time that will offer details about different kinds of demonstration projects and will also provide an opportunity to ask questions. I know Drew Hage would also be willing to collaborate on this project and he may have ideas to offer too.

Please let me know if you would like more information, want to brainstorm ideas or are interested in the link to the webinar.

Examples of past projects are available [here](#).

My Best,
Diana

Diana Madsen
Statewide Health Improvement Program (SHIP)
Des Moines Valley Health & Human Services
235 9th Street, Windom, MN 56101
507-831-1987, ext 8344
Diana.Madsen@DVHHS.org



SOLID WASTE SERVICES CONTRACT

THIS CONTRACT is made commencing the 1st day of April 2013, by and between the City of Mountain Lake, MN, hereinafter referred to as "City," and Hometown Sanitation Services, Inc., hereinafter referred to as "Contractor."

WHEREAS, Contractor has been awarded the contract for solid waste services for the City for April 1, 2013 through March 31, 2016. - See Amett. #1
2021

WHEREAS, the following sets forth the parties' responsibilities;

NOW, THEREFORE, IT IS AGREED:

1. All previous contracts or agreements between the parties relating to solid waste services are hereby declared to be null and void and of no further affect.
2. The City hereby grants to the Contractor the exclusive right to pick up solid waste from all residences located within the City, and the Contractor agrees to provide such solid waste collection service subject to the terms and conditions of this agreement. The term "solid waste" as used in this agreement shall not include demolition debris resulting from the demolition of buildings, roads or other structures.
3. The Contractor acknowledges and agrees to abide by all city ordinances regulating solid waste as well as all state and/or federal statutes, rules or regulations. Contractor shall be properly licensed, bonded and insured in compliance with all city ordinances as well as state and/or federal statutes, rules or regulations and shall show proof thereof to the City. Limits of said performance bond shall be as agreed upon by the parties. Contractor will at all times during the term of this agreement carry the following insurance coverage:
 - A. Comprehensive General Liability Insurance covering bodily injury liability and property damage liability with a combined single limit of not less than one million dollars.
 - B. Automobile Liability Insurance covering all vehicles for bodily injury liability and property damage liability with a combined single limit of not less than one million dollars.
 - C. Workers Compensation Insurance as required by law.

Contractor will file with the City a certificate of insurance setting forth compliance with these requirements prior to commencing performance under this agreement.

4. The Contractor agrees not to subcontract, lease, assign or otherwise convey any interest or right under this contract, whether voluntarily or by operation of law, without the prior written consent of the City.
5. The Contractor shall provide an adequate number of enclosed vehicles to collect and haul all solid waste to be hauled pursuant to this contract. Vehicles shall be so constructed that no portion of the solid waste so collected will leak out or be blown from any vehicle used to perform this contract.
6. This three-year contract shall commence effective April 1, 2013, and shall continue until March 31, 2016. Thereafter, the contract shall automatically renew for one year extensions, with like terms and conditions unless either party gives written notice (90) days prior to the expiration of any annual renewal term or unless terminated sooner pursuant to paragraph 14 below.
7. Contractor agrees to service all residences within city limits. Contractor agrees to provide solid waste collection for solid waste generated by the City offices and departments and solid waste generated during Pow Wow Celebration, with the exception of the campground, free of charge. City agrees that it will not separately contract with any other person or entity to provide such services during the term of this agreement, provided however, that the parties agree that this contract does not cover collection of electronics and appliances and the collection and disposal of recyclables from either residential or commercial areas, and the rental of dumpsters or roll-off containers. The Contractor will have no exclusive right or obligation to pick up and dispose of electronics, appliances or recyclables or to rent dumpsters or roll-off containers under this contract.
8. The Contractor shall pick up solid waste at the residences one time per week. The hours of operation shall be as follows:

6:00 a.m. - 6:00 p.m.
9. All solid waste, upon being removed from the premises where produced or accumulated, shall become the property of the Contractor. The Contractor shall dispose of same in a proper manner as designated in the Cottonwood County Solid Waste plan. The Contractor shall hold the City harmless from any and all claims or causes of action with regard to disposal of the solid waste collected from the city. The contractor will haul all garbage and refuse picked up in the City of Mt. Lake to the Cottonwood County Landfill.
10. The parties acknowledge the state has now mandated "volume based" charges for solid waste disposal. The Contractor agrees to bill every residential customer who has selected garbage cart service a service fee based on the cart size selected. The pre-tax cart service fees are:

	Base Price
1. Autopay:	
35 gallon	\$11.54
65 gallon	\$13.64

31

95 gallon \$15.74

2. Paper Bill:

35 gallon \$12.06
65 gallon \$14.16
95 gallon \$16.26

3. Sr. Citizen Autopay:

35 gallon \$10.49
65 gallon \$12.59
95 gallon \$14.69

4. Sr. Citizen Paper Bill:

35 gallon \$11.01
65 gallon \$13.11
95 gallon \$15.21

5. Alternative 35 gallon every other week tub:

Base Price

1. Autopay:

35 gallon \$8.49

2. Paper Bill:

35 gallon \$8.99

3. Sr. Citizen Autopay:

35 gallon \$7.49

4. Sr. Citizen Paper Bill:

35 gallon \$7.99

6. City Campground dumpster: \$120 per month

11. Hometown Sanitation's 30 and 20 gallon bags and stickers previously available for purchase at Mountain Lake businesses are eliminated effective April 1, 2013. After such date, all solid waste removed by the contractor must be in a contractor-provided garbage cart.

See Amendment # II
12. Contractor may raise container rates up to 2.5% or the CPI, whichever is less, each in year two and year three of the contract.

13. To the extent a residential customer fails to pay the Contractor the cart service fee, the Contractor shall terminate cart service to that residence unless and until requested to do so by the City.

2A. Amend # III Fuel Adj.

14. All of the terms and conditions of this contract are considered to be material and, should the Contractor fail to perform any of its obligations hereunder or comply with any terms or conditions hereof, the City shall have the right to terminate this contract upon the mailing of written notice to the Contractor indicating the default or nonperformance and, further, upon the Contractor's failure to remedy said violation within thirty (30) days after receipt of said notice.

15 Amed #10 - Landfill Provision

Hometown Sanitation Services, Inc.

By:

Tom White

Its:

Partner

City of Mountain Lake

By:

Don Jay
Its Mayor

Attest:

Wendy Meyer
Its City Administrator

AMENDMENT TO CONTRACT – EXTENSION OF TERM

THIS IS AN AMENDMENT to the “Solid Waste Services Contract” (the “Contract”) by and between the CITY OF MOUNTAIN LAKE, a political subdivision of the State of Minnesota, (the “City”) and HOMETOWN SANITATION SERVICES LLC, a Minnesota Corporation, 1041 3rd Avenue, Windom MN 56101 (“Contractor”).

RECITALS OF FACT.

- I. The City and Contractor entered into the Contract on April 1, 2013.
- II. The parties now wish to amend the Contract.

NOW THEREFORE, in consideration of the mutual covenants set out in this Amendment, the parties agree as follows:

- I. **Extension of Term.** Paragraph 6 of the Contract is amended by replacing the date “March 31, 2016” with the new date “March 31, 2021.”
- II. **Price Adjustment Beginning in 2017.** Paragraph 12 of the Contract is amended by addition of the following sentences: “There will be no price increases in 2016. Beginning on April 1, 2017, the price shall be increased by 2.5% annually.”
- III. **Diesel Price Adjustments.** A new Paragraph 12-A is added to the Contract, containing the following text:

Fuel Charges. In the event that diesel fuel prices decrease to less than \$1 per gallon, or increase to over \$5 per gallon, the price shall be adjusted quarterly to reflect changes in the cost of fuel as follows:

Price Per Gallon	Monthly Payment Adjustment
Less than \$1.00	3% Decrease to Monthly Fee
\$5.00 to \$5.99	3% Increase to Monthly Fee
\$6.00 to \$6.99	6% Increase to Monthly Fee
\$7.00 to \$7.99	9% Increase to Monthly Fee

If diesel prices increase above \$8 Per Gallon, an additional 3% increase will be added for each \$1.00 increase, consistent with the adjustments in the above table.

Diesel price per gallon will be determined by calculating the average price of diesel fuel at Mt. Lake gas stations in the week preceding the beginning of

each Quarter. Any such adjustment must be communicated in writing to the City by Contractor, and must include specific details of the calculation.

- IV. **Landfill Provision.** This amendment assumes no changes in disposal fees at the Cottonwood County Landfill. If changes in fees arise, Contractor reserves the right to re-negotiate with the City of Mountain Lake.

ALL OTHER TERMS OF THE CONTRACT REMAIN THE SAME.

IN WITNESS WHEREOF, the County and Contractor have caused this Amendment to be executed as of the ___ day of _____, 2016.

Mayor Mike Nelson
City of Mountain Lake

Mike Johnson
General Manager, Hometown

Date

Date

City Administrator

Date

The city has also asked for the 2016 rates to be stated in the contract amendments and the city receive notice when rates change in future years.