

Regular City Council Meeting
Mountain Lake City Hall
Monday, March 6, 2023

6:30 p.m.

AGENDA

1. Meeting Called to Order *Additional information on agenda item is attached or at City Hall
2. Approval of Agenda and Consent Agenda
 - a. Bills: Checks #26968-27009, 874E-879E (1-7)
 - b. Payroll: Checks #67226 – 67239
 - c. Approve February 9 Utilities Commission Minutes (8-9)
 - d. Approve February 21 City Council Minutes (10-11)
 - e. Approve February Street Department Report (12)
3. Public – A total of ten (10) minutes is allotted for individuals to briefly discuss a topic of concern or provide comments to the Council.
4. City Attorney
5. Approve Resolution # 8-23 Establishment of Tax Increment Financing District No. 2-1 (Commercial Park) (13-15)
6. City Administrator
 - a. Discussion/Action – Training & Education Policy (16-19)
7. Roundtable
 - a. Discussion – Commissions/Boards Update
8. Adjourn

**Mountain Lake Utilities Commission Meeting
Mountain Lake City Hall
Thursday, February 9, 2023
7 AM**

Members Present: Mark Langland, Sue Garloff, Todd Johnson, Brian Janzen, City Council Liaison Dean Janzen

Members Absent: David Savage

Staff Present: Michael Mueller; Clerk/Administrator; Jill Falk; Utilities Office Manager; Dave Watkins; Electric Superintendent; Lane Anderson; Lineman; Steve Peters; Lineman; Taylor Nesmoe; Water/Wastewater Superintendent; Scott Pankratz; Water/Wastewater Worker

Others Present: Jay Anderson and Andy Ristau; CMPAS, Ben Israel; Barr Engineering

Call to Order

The meeting was called to order at 7 AM.

Approval of Minutes and Bills

Motion by Johnson seconded by Garloff to approve the January 12th Minutes, and Check Numbers 22283-22315 (442E-443E). Motion carried.

Electric Department

Barr Engineering and CMPAS were present for the meeting to discuss the potential plans for the new generators. The two options being considered are for either a brand-new facility or remodeling the current plant. With the new power plant, there will be four new engines with 8MWh capacity. With the remodel, it was originally quoted for only two new engines but has been recommended to replace all four of the engines. This will make it easier to get the permits passed from the PCA. Even though the other two units are still working properly, it is just a matter of time before something happens. Having four brand-new generators will allow for cleaner energy as well as additional hours of generation. Included in the price of the remodel is the purchase of a new roof. It would be recommended to lift the engines through the roof while those repairs are being completed. The original projection included CAT engines for the new build and MTU engines for the remodel. Langland has requested an updated projection using CAT engines for each to provide a more accurate cost comparison. It should also be noted that if the decision is made to rebuild, a temporary facility would need to be provided so generation can still be completed while the power plant is under construction. For the new build, soil testing will need to be completed at the site to determine if the land is strong enough and healthy enough

for the potential plant. Anderson did want to point out that even though Mountain Lake receives payments for capacity, these cannot be guaranteed. He also stressed the importance of being able to begin generating at any time. With the continued closures of nuclear and coal plants, it is likely that CMPAS will call for generation and an immediate response is required. If there are three separate instances where generation cannot be produced, we will lose the right to claim the generator, which in turn will lose the capacity payment.

Water/Wastewater Department

Nesmoe stated that the sand filters have been ordered and should arrive by the 27th. The installation will then begin shortly thereafter. He also mentioned that they have been working on maintenance for Well #1 and discovered the pipe was clogged. They will replace both the pump and the motor, increasing the motor from 10hp to 15hp. Another item that needs to be ordered is the membranes for the RO. As discussed previously, it was originally budgeted for \$80,000 but he believes it should only be around \$60,000.

City Administrator

The Rates for Cogeneration report has been filed by Star Energy. The calculated rate will be provided as a refund to our customers that have solar production.

Adjourn

The meeting was adjourned at 8:22 a.m.

ATTEST:

Jill Falk, Utilities Office Manager

**City of Mountain Lake
Regular City Council Meeting
Mountain Lake City Hall – 930 Third Ave
Tuesday, February 21, 2023
6:30 p.m.**

Members Present: Dean Janzen, Darla Kruser, Andrew Ysker

Members Absent: Bryan Bargen, Mike Nelson

City Staff Present: Michael Mueller City Administrator

Others Present: None

Call to Order

The meeting was called to order by Council Member Andrew Ysker at 6:30 p.m.

Approval of Agenda & Consent Agenda

Motion by Janzen, seconded by Kruser to pull the On-Sale Liquor License for Santos & Laguna 7 LLC; La Tejanita from the consent agenda for further discussion. Motion carried 3 – 0.

Motion by Kruser, seconded by Janzen to approve the agenda and consent agenda as amended. Motion carried 3 – 0.

Bills: Checks #26930 – 26967, 871E – 873E

Payroll: Checks #67198 – 67225

Approve January 9 Lake Commission Minutes

Approve January 10 Library Board Minutes, January Report, & January Expenditures

Approve January 17 EDA Board Minutes

Approve January 26 Utilities Commission Minutes

Approve February 6 City Council Minutes

Approve Resolution #6-23 \$10,000 Fire Relief Donation

Approve Phil Skow to the Economic Development Authority effective 2/21/23

Approve Resolution #7-23 Joint Powers Agreement

Public

No comments

City Attorney

No update was given.

City Administrator

Discussion/Action – Training & Education Policy

Discussion/Action – Approve On-Sale Liquor License for Santos & Laguna 7 LLC; La Tejanita – 1205 3rd Ave

The Council tabled the Training and Education Policy, they needed more time to review. Santos & Laguna 7 LLC; La Tejanita has requested to sell Sunday on sale liquor as well. A city may issue a Sunday intoxicating liquor license only if authorized to do so by the voters of the city voting on the question at a general or special election, which Mountain Lake has not done yet. If La Tejanita cannot sell on sale intoxicating liquor on Sunday, they have requested an off sale license in addition to their on sale intoxicating liquor license. Motion by Kruser, seconded by Janzen to approve On-Sale & Off Sale Liquor License for Santos & Laguna 7 LLC; La Tejanita – 1205 3rd Ave. Motion carried 3 – 0. Motion by Kruser, seconded by Janzen to authorize a special election, asking the voters of Mountain Lake, “Shall the city council be allowed to issue on-sale licenses to restaurants, clubs, bowling centers, and hotels for the sale of intoxicating liquor at retail on Sundays? Yes or No”. Motion carried 3 – 0.

Roundtable

An update was given to the council regarding board and commission meetings.

Adjourn

The meeting was adjourned at 7:10 p.m.

ATTEST:

Michael Mueller, Administrator/Clerk

FEBRUARY STREET Dept / Report

- Build 8 Picnic Tables
- Sweeper Maint, @ Pref
- Mower MAINT, Service Hydro's #2 @ #3
- OPEN Storm Drains
- Plow STREETS, Haul Snow, Clean Sidewalks
- Service 524KIT
- New Plow Truck / Crysteel (2-21-23)

CITY OF MOUNTAIN LAKE, MINNESOTA

RESOLUTION NO. 8-23

RESOLUTION CALLING PUBLIC HEARING ON THE PROPOSED ESTABLISHMENT OF REDEVELOPMENT PROJECT AREA NO. 2, THE ADOPTION OF A REDEVELOPMENT PLAN FOR REDEVELOPMENT PROJECT AREA NO. 2, THE PROPOSED ESTABLISHMENT OF TAX INCREMENT FINANCING (ECONOMIC DEVELOPMENT) DISTRICT NO. 2-1 WITHIN REDEVELOPMENT PROJECT AREA NO. 2, THE PROPOSED ADOPTION OF A TAX INCREMENT FINANCING PLAN RELATING THERETO AND THE PROPOSED APPROVAL OF A BUSINESS SUBSIDY

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

1. Public Hearing. This Council shall meet on April 3, 2023, at approximately 6:30 p.m., to hold a public hearing on the following matters: (a) the proposed establishment of Redevelopment Project Area No. 2; (b) the proposed adoption of a Redevelopment Plan for Redevelopment Project Area No. 2; (c) the proposed establishment of Tax Increment Financing (Economic Development) District No. 2-1 within Redevelopment Project Area No. 2; (d) the proposed adoption of a Tax Increment Financing Plan relating thereto, all pursuant to and in accordance with Minnesota Statutes, Sections 469.124 through 469.133, both inclusive, as amended, and Minnesota Statutes, Sections 469.174 through 469.1794, both inclusive, as amended (collectively, the "Act"); and (e) the proposed approval of a business subsidy, pursuant to Minnesota Statutes, Section 116J.993 to 116J.995 (the "Business Subsidy Act").

2. Notice of Hearing; Filing of Program and Plan. The City Administrator/Clerk is hereby authorized to cause a notice of the hearing, substantially in the form attached hereto as Exhibit A, to be published as required by the Act and the Business Subsidy Act and to place a copy of the proposed Redevelopment Plan, the proposed Tax Increment Financing Plan and the proposed business subsidy on file in the City Administrator/Clerk's Office at City Hall and to make such copies available for inspection by the public.

3. Consultation with Other Taxing Jurisdictions. The City Administrator/Clerk is hereby directed to mail a notice of the public hearing and a copy of the proposed Redevelopment Plan and the proposed Tax Increment Financing Plan to Cottonwood County and Independent School District No. 173 informing those taxing jurisdictions of the estimated fiscal and economic impact of the establishment of the proposed tax increment financing district.

Adopted by the City Council of the City of Mountain Lake this 6th day of March, 2023.

Mike Nelson, Mayor

Attest:

Michael Mueller, City Administrator/Clerk

Exhibit A

CITY OF MOUNTAIN LAKE
COUNTY OF COTTONWOOD
STATE OF MINNESOTA

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council (the "Council") of the City of Mountain Lake, Cottonwood County, Minnesota, will hold a public hearing on Tuesday, April 3, 2023, at 6:30 p.m., at the City Hall, 930 Third Avenue in the City of Mountain Lake, Minnesota (the "City"), relating to the proposed establishment of Redevelopment Project Area No. 2, the proposed adoption of the Redevelopment Plan for Redevelopment Project Area No. 2, the proposed establishment of Tax Increment Financing (Economic Development) District No. 2-1 within Redevelopment Project Area No. 2, and the proposed adoption of a Tax Increment Financing Plan therefor, all pursuant to and in accordance with Minnesota Statutes, Sections 469.124 through 469.133 and Sections 469.174 through 469.1794; and a proposed business subsidy to be granted by the City to BMP Investments LLC for the proposed construction of a not to exceed 15,000 square foot car wash, laundry mat and pet wash located in the City (the "Project"), under Minnesota Statutes, Section 116J.993 to 116J.995 (the "Business Subsidy Act"). Copies of the proposed Redevelopment Plan, the proposed Tax Increment Financing Plan and a summary of the subsidy agreement are on file and available for public inspection at the office of the City Administrator/Clerk at City Hall.

A person with residence in or the owner of taxable property in the granting jurisdiction may file a written complaint with the grantor if the grantor fails to comply with sections 116J.993 to 116J.995, and that no action may be filed against the grantor for the failure to comply unless a written complaint is filed.

The property included in Redevelopment Project Area No. 2, is described in the Redevelopment Plan on file in the office of the City Administrator/Clerk. The property proposed to be included in Tax Increment Financing (Economic Development) District No. 2-1 is described in the Tax Increment Financing Plan on file in the office of the City Administrator/Clerk.

A map of Redevelopment Project Area No. 2 and Tax Increment Financing (Economic Development) District No. 2-1 is set forth below:

[INSERT MAP of Redevelopment Project Area No. 2 and Tax Increment Financing (Economic Development) District No. 2-1]

All interested persons may appear at the hearing and present their views orally or in writing prior to the hearing.

BY ORDER OF THE CITY COUNCIL OF
THE CITY OF MOUNTAIN LAKE, MINNESOTA

/s/ Michael Mueller
City Administrator/Clerk

**City of Mountain Lake
Modification of Redevelopment Project No. 1
Establishment of Tax Increment Financing District No. 9
Economic Development (Small Cities) TIF District
Car Wash w/ Laundry and Pet Wash and Storage Shed
Public Hearing on April 3**

February 2023

S	M	T	W	T	F	S
			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				

March 22 NSI distributes calendar for process
February 27 Developer submits application for TIF by this date

March 2023

S	M	T	W	T	F	S
			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	

March 1 NSI distributes draft TIF Plan to City/EDA staff for review
March 3 NSI distributes notice and draft documents to county and school district
March 6 City Council calls for public hearing for TIF
March 20 City submits notice for public hearing to newspaper
March 22 Newspaper publishes hearing notice
March 29 Planning Commission review and findings by resolution

April 2023

S	M	T	W	T	F	S
						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						

April 3 EDA approval of TIF and TIF Assistance Agreement
April 3 City Council holds public hearing and TIF approval

May 2023

S	M	T	W	T	F	S
	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			

May 1 NSI submits request for certification to the county auditor
May 1 NSI submits documents to the Office of State Auditor and MN Dept of Revenue

June 30 County auditor certifies TIF District by this date

Notes to Calendar:

- Denotes regular city council meeting dates, 1st and 3rd Monday of the month, at 6:30PM.
- Calendar provides that the EDA will be available to meet on same meeting dates as City Council.
- Planning Commission meeting.
- City/EDA needs to confirm publication dates for hearing notice and is responsible for submitting the notice to the newspaper.
- Calendar has notice of hearing and TIF Plan distributed to county and school district prior to City Council calling for hearing. This is permissible by statute.
- Northland will prepare TIF Plan and distribute to county and school district.
- Attorney to EDA will prepare resolutions and TIF agreement.
- Total building SF within TIF District will be 15,000 SF or less.



TRAINING AND EDUCATION POLICY

Employee Training and Education Policy

Reimbursements of training and education expenses are intended to refund actual costs incurred by City employees and officials while traveling as authorized representatives of the City of Mountain Lake. To qualify for reimbursement, trips must have a completed expense reimbursement form approved by the Department Head and/or City Administrator.

Original detailed receipts are required for all related travel costs including shuttle service or taxi fare, parking ramp fees, lodging and program material. Exceptions to this requirement include metered parking, bus fares, telephone calls, gratuities 20% for meal service and generally accepted amounts for baggage handling or maid service and similar expenses.

Training & Education Expense Form

A properly completed Expense Form, listing itemized expenses, shall be submitted to the Department Head/City Administrator for review and approval within ten business days following the date of return from an authorized trip. The expense form shall be accompanied by receipts for:

- a. Transportation costs to and from the destination via coach, tourist, or economy class transportation or via city vehicle, private vehicle or car rental.
- b. Lodging costs not to exceed a reasonable single-occupancy rate as determined herein.
- c. Conference or meeting registration fees.
- d. Meal costs.
- e. Any unusual items for which advance approval has been obtained from the City Administrator.

TRANSPORTATION

Employees are encouraged to travel by the most economical means available. The most economical means depends upon cost of mileage and the length of time the employee will be required to travel. If a City vehicle is available, it is expected that the City vehicle will be used for travel. Employees will be reimbursed for fuel expenses and must provide receipts with their reimbursement request. If a City credit card is available, an employee may check out the card for travel expenses. Receipts must be retained, recorded and attached to the Expense Reimbursement Form.

If a city vehicle is unavailable, or an employee receives approval to use a personal vehicle, employees will be reimbursed only for mileage at the approved IRS mileage reimbursement rate. If driving their personal vehicle, the employee will be responsible for all traffic fines, damages and liability due to an accident. If an employee receives a citation for a DWI while operating a City vehicle or personal vehicle while on a business trip applicable disciplinary measures will be taken.

If it is most economical to travel by air, the employee shall be required to travel by air. If the employee chooses to drive their personal vehicle, the employee will be reimbursed the lowest cost of the airfare (lowest cost airfare available for one person traveling from boarding port to the port of destination and return).

If a reduced airfare requires an employee to spend an additional non-work day (e.g. a Saturday overnight

stay) in the destination city, and if the reduced airfare totals more than the lodging and meals expense for the additional day, then the employee will be reimbursed for the extra day's expenses for lodging and meals. For employees traveling by air, expense guidelines for taxi or automobile rental are:

Taxi

Taxi fare will be reimbursed for transportation from the destination airport to the place of lodging and to the meeting site (or vice versa). The public purpose for any other taxi fares must be explained. Receipts are required for all fares.

Automobile Rental

Prior approval, by the Department Head/City Administrator, is needed when automobile rental expense is anticipated. Automobile rental should be considered when taxi usage costs would be greater than automobile rental cost. The employee will be responsible for all fines, damages and liability due to an accident.

Mileage

Personal vehicle use for authorized trips, meetings, work, etc., will be reimbursed at the rate consistent with IRS regulations. The mileage reimbursement request should be documented with a mileage calculation from a source such as MapQuest, Google Maps, etc., to authenticate actual mileage driven. Discrepancies from the expected mileage should be explained. Mileage reimbursement requests must be submitted using the expense reimbursement form. Use of personal vehicle for training/education purposes must be pre-approved by the City Administrator or his/her designee.

HOTEL/LODGING

A hotel/motel for overnight lodging will be permitted only with department head approval under the following circumstances:

1. When the conference lasts longer than one day.
2. If the conference/training session is more than 100 miles traveling distance from Mountain Lake and the total amount of hours worked would exceed 10 hours in one day, including traveling distance, or
3. The cost of the lodging would be less than the overtime pay required if the employee traveled to the site the morning of the conference.

Lodging expense incurred enroute to a final destination will not be reimbursed. Any exceptions must be approved by the City Administrator.

Actual costs for lodging for the employee will be reimbursed, but charges shall be reasonable and consistent with the facilities available. To keep costs to a minimum, employees shall stay at the conference's host hotel or motel, **or** one at lesser cost at the discretion of the employee's Department Head up to \$150/night (excluding taxes).

If an employee is attending a conference, reimbursement will be made for the single (one person) room rate at the conference facility. A conference facility either is directly at the site of the conference or listed in the conference brochure as a conference hotel. A two-person room rate will be reduced to a single person room rate if one of the persons staying in the room is a non-city employee.

The City will not reimburse for personal expenses such as in-room movies, water park passes or other hotel

amenities or expenses, with the exception of parking and access to the hotel's "Business Center".

Long distance phone call charges will be reimbursed if they are incurred regarding a City business matter. One "safe arrival" call and/or "change of plans" call will also be reimbursed. Internet access and service charges related to City business will also be reimbursed.

BUSINESS MEALS (updated February 21, 2023)

Reimbursement for meals while on authorized travel will be for actual expenditures. Reimbursement for actual meal costs will be made only when documented by detailed receipts. If a City credit card is available, an employee may check out the card for travel expenses. All original receipts must be retained, recorded and attached to the Expense Reimbursement Form.

Meals will be reimbursed under the following conditions:

- Breakfast – When required to leave home before 6:00 a.m. or away overnight.
- Lunch – When out of the city on business or involved in a work-related lunch meeting.
- Supper – when unable to return home from out of the city until 6:00 p.m. or later, or away on business overnight.
- Meals – In accordance with the Federal Internal Revenue Service (IRS) Code Guidelines and the U.S. General Services Administration (GSA) for 2023 the maximum standard rate for meal allowance, including gratuities is \$59 per day. The daily allowance may be split among the three meals at the individual's discretion. The first and last day of travel is 75% of the total Meals & Incidentals (M&IE) . The table below shows the current maximum standard meal rate allowance:

M&IE Total	\$59
Breakfast	\$13
Lunch	\$15
Dinner	\$26
Incidental Expenses	\$5
First & Last Day of Travel	\$44.25

- These amounts will be adjusted of the maximum daily meal allowances if the IRS Guidelines change. This amount may be adjusted for travel outside Minnesota or to a 'high cost area' by the City Administrator.
- Reimbursement is not allowed for alcoholic beverages.
- If meals are included in tuition or registration fees, the daily maximum reimbursement allowance will be reduced per the allowance for the meal that is included in tuition or registration.

MISCELLANEOUS EXPENSES

Tolls

Reimbursement for toll fees will be made when traveling with your personal vehicle or city-owned

vehicle.

Parking

Parking expense incurred at the final destination place of lodging is reimbursable when traveling by personal or city-owned vehicle. Airport parking expense is reimbursable. Other parking fees associated with a city travel purpose, such as parking at a training site, will also be reimbursed. Receipts are required for all parking fee reimbursements.