

CITY OF MILACA
CITY COUNCIL MEETING
COUNCIL AGENDA
January 17, 2019

1. Call Meeting to Order 6:30 p.m.
2. **OATH OF OFFICE**
3. Pledge of Allegiance
4. Roll Call- Present: Mayor-Pete Pedersen__ Council Members; Dave Dillan__ Ken Muller__ Norris Johnson__ Cory Pedersen__
Absent; _____
5. **Approval of Agenda** MB__2nd__AIF__O__
6. **Consent Agenda** MB__2nd__AIF__O__
 - A. Approval of the Minutes – December 20, 2018
 - B. Approval of Bills
 - C. Approval of Treasurer’s Report
 - D. Resolution 19-01 Accepting Resignation and Declaring a Vacancy
 - E. Resolution 19-02 Annual Appointments and Official Designations for 2019
 - F. Resolution 19-03 Assessing Unpaid Water and Sewer Bills
 - G. Resolution 19-04 End of Year 2018 Budget Adjustments
 - H. Increase Transfer from Charitable Gambling to the General Fund of \$1000 for 2017/2018 Rink Attendant.
7. **Citizen Open Forum-**
8. **Public Hearing-**
9. **Requests and Communications-**
10. **Ordinances and Resolutions-**
 - I.
11. **Reports of Departments, Boards and Commissions**
 - J. Police Department- Monthly Activity-
 - K. Parks Commission- Mayor to review activity
 - L. Public Works Department- Activity Report- Street project- 8th St. NE & 6th Ave NE Authorize Feasibility Report
MB__2nd__AIF__O__
 - M. Planning Commission – No meeting
 - N. Economic Development Commission-No Meeting in January
 - O. Fire Department- Review Appointments
 - P. Airport Commission- Next meeting March 13th
 - Q. MCAT-IF - Phase 3
 - R. Joint Powers Board- No Activity
 - S. Safety Committee- Next Meeting February
12. **Unfinished Business**
13. **New Business-** Mille Lacs County Highway Project Cty Road 112- Easements Parcel 54 PID21-026-0600 & Parcel 58 PID 21-026-0010 -
Written offer to Purchase ROW and Temporary construction easement. MB__2nd__AIF__O__
14. Senior Center- Water damage- Roof Repair and interior damage-Turned into insurance. Discuss options.
15. **Council Comments**
16. **Adjourn** _____p.m. MB__2nd__AIF__O__

**MILACA CITY COUNCIL MINUTES
DECEMBER 20, 2018 MEETING**

Call to Order Roll Call

The regular meeting of the Milaca City Council was called to order at 6:30 p.m. by Mayor Pedersen. Upon roll call the following council members were present: Mayor Pedersen, Councilors: Muller, Johnson, and Gahm.

Councilors Absent: Dillan

Staff present: City Manager Tammy Pfaff, Officer Nate Fisher, and City Attorney Damien Toven. Also Present (Signed In) Cory Pedersen, Kathy Youngquist, and Shane Carlson.

Approval of the Agenda

On a motion by Johnson and seconded by Muller, the agenda was approved. Motion carried unanimously.

Consent Agenda

Motion by Gahm, second by Muller, to approve the consent agenda items as follows:

- a) Minutes of the November 15th 2018 City Council Meeting.
- b) Bills for Payment
- c) Resolution 18-52 Longevity Pay Schedule- Adding Section 25 to the Personnel Policy
- d) Resolution 18-53 Assessing Unpaid Water and Sewer Bills.
- e) Resolution 18-54 Accepting Donations.

Citizens Forum- Certificate of Appreciation to Laurie Gahm in recognition of her tenure as council member.

Public Hearing – Truth in Taxation- Mayor Pedersen opened the public hearing at 6:33 p.m. Mayor Pedersen stated that the tax levy increase would be 1.75% and then called for public comments and receiving no comments from the public, Mayor Pedersen then closed the public hearing at 6:34 p.m.

Public Hearing – A & E Properties, LLC. Mayor Pedersen open the public hearing at 6:35 p.m. Mayor Pedersen called upon Kathy Younquist for any additional comments and she stated that the City of Edina held the required public hearing as the host city. Mayor Pedersen then closed the public hearing at 6:36 p.m.

Mayor Pedersen then proceeded to call for a motion on Resolution 18-55 Authorizing and Providing the Issuance and Sale of Revenue Bonds for A & E Properties, LLC. Council member Johnson introduced a motion to approve issuance and sale of revenue bonds for A & E Properties, LLC. The motion was then seconded by Gahm. Motion carried unanimously.

Requests and Communications-

Ordinances and Resolutions

Resolution- 18-56- Annual Designation of Polling Location and Hours. Mayor Pedersen then proceeded to call for a motion on Resolution 18-56 designating the polling place. Muller introduced a motion to approve the annual designation and the motion was seconded by Johnson. Motion carried unanimously.

Resolution 18-57 - Liquor and Tobacco Licenses for 2019. Mayor Pedersen then proceeded to call for a motion on Resolution 18-57 for liquor and tobacco licenses. Gahm introduced a motion to approve the liquor and tobacco licenses and the motion was seconded by Johnson. Motion carried unanimously.

Resolution 18-58- Approving the 2019 Tax Levy and Final Budget. Mayor Pedersen turned the review of the final budget over to the City Manager for the budget highlights. The City Manager commented that the majority of the budget revisions were in the Capital Improvement Plan, and that projects were moved to future years.

The levy did not change from the preliminary budget and remained at the 1.75% increase. The City Manager commented on the summary by fund type and that the overall budget increased 4.48% over the previous year.

Other items that impacted the budget revisions were the increase of \$50,000 for the water and sewer projects for 2019 based on the engineer's estimates. The airport will see a reduction of \$2,900 to the taxiway pavement project and will be using the \$6,325 remaining in the reserve to pay towards this project.

Mayor Pedersen then proceeded to call for a motion on Resolution 18-58 approving the final budget and tax levy. Johnson introduced a motion to approve the 2019 Final Budget and Tax Levy, and the motion was seconded by Gahm. Motion carried unanimously.

Reports of Departments, Boards and Commissions

Police Department- Council reviewed the monthly report.

Parks Commission- Mayor Pedersen reviewed the minutes with the council and stated they are looking at the hockey rink and will be replacing it with a permanent structure and it will also be used for pickle ball. Mayor Pedersen also stated that signs need to be placed by the campsites that state that no vehicles are allowed beyond the campsite area. The park meetings have been changed to be bimonthly on the first Tuesday of the month.

Public Works Department- Council reviewed the activity report as presented. Mayor Pedersen thanked the public works department for all the projects that were completed this year.

Planning and Zoning Commission- no meeting held.

Economic Development Commission-

Fire Department-

Airport Commission- No quorum for the December meeting.

MCAT – Meetings will resume in January

Unfinished Business

New Business-

Council Comments

Mayor Pedersen asked the council for comments:

Gahm- stated that she has learned a lot over the last four years and is looking forward to being with her grandchildren.

Muller- Thanked Laurie for her time on the council and also thanked the staff for the budget work.

Pedersen – stated we need Wi-Fi at City Hall and that Gary Kirkeby is doing an excellent job on the hockey rink. Pedersen also commented that we need to start thinking about council appointments to committees and boards.

Adjourn

With no other business presented before the council, a motion to adjourn was made by Johnson, seconded by Muller, all present voted in favor and the meeting adjourned at 6:58 p.m.

Motion carried unanimously.

Mayor Harold Pedersen

ATTEST:

City Manager Tammy Pfaff

CITY OF MILACA
Check Summary Register
10100 General Bank - ACH

	Name	Check Date	Check Amt	Description
Paid Chk# 818280E	EFTPS-STATE TAXPAYMENT	12/21/2018	\$1,968.88	STATE W/H
Paid Chk# 818281E	EFTPS-STATE TAXPAYMENT	12/21/2018	\$146.50	STATE W/H
Paid Chk# 818288E	FURTHER	12/26/2018	\$307.76	SHAW-EE CONTRIBUTION
Paid Chk# 819001E	EFTPS-STATE TAXPAYMENT	1/7/2019	\$2,029.41	STATE W/H
Paid Chk# 819002E	EFTPS-STATE TAXPAYMENT	1/7/2019	\$147.34	STATE W/H
Paid Chk# 819009E	CENTERPOINT ENERGY	1/18/2019	\$3,931.31	NATURAL GAS
Paid Chk# 819010E	EAST CENTRAL ENERGY	1/7/2019	\$12,134.00	ELECTRIC
Paid Chk# 819011E	MILACA LOCAL LINK	1/20/2019	\$295.12	PHONE SERVICE
Paid Chk# 819012E	MN DEPT OF REVENUE	1/19/2019	\$1,227.00	W/S SALES TAX
Paid Chk# 819013E	INCONTACT INC	1/30/2019	\$71.52	LONG DISTANCE SERVICE
Paid Chk# 819014E	MIDCONTINENT COMMUNICATIONS	1/6/2019	\$65.00	INTERNET-
Paid Chk# 819015E	ENDICIA ACCOUNTING	1/11/2019	\$500.00	POSTAGE FOR METER
Paid Chk# 819016E	FURTHER	1/2/2019	\$19,010.00	1ST QTR CONTRIBUTIONS
	Total Checks		\$41,833.84	

CITY OF MILACA
Check Summary Register
10100 General Bank - Checks

	Name	Check Date	Check Amt	Description
Paid Chk# 044800	AMAZON	12/26/2018	\$418.08	BLUE GLOCK TRNG GUN-POLICE
Paid Chk# 044801	VERIZON WIRELESS	12/26/2018	\$685.36	DEC WIRELESS ROUTER SVC
Paid Chk# 044802	VISA	12/26/2018	\$677.32	PARTS-SEWER-INTERSTATE POWER S
Paid Chk# 044803	U.S. POSTAL SERVICE	12/27/2018	\$245.39	DEC BILLINGS
Paid Chk# 044804	BLUE CROSS BLUE SHIELD OF MINN	1/2/2019	\$13,825.97	MEDICAL INSUR-JAN 2019
Paid Chk# 044805	DELTA DENTAL OF MINNESOTA	1/2/2019	\$33.50	PED DENTAL-JAN 2019
Paid Chk# 044806	FAMILY HERITAGE LIFE INS CO	1/2/2019	\$79.00	SUPPL LIFE INS - JAN 2019
Paid Chk# 044807	FIRE INSTRUCTION & RESCUE ED.	1/2/2019	\$5,480.00	NFPA 1001 TRAINING (4)
Paid Chk# 044808	MN BENEFIT ASSOCIATION	1/2/2019	\$1,144.16	LIFE/DENTAL-JAN 2019
Paid Chk# 044809	SENTRY SYSTEMS, INC.	1/2/2019	\$1,391.28	2019 COMMERCIAL MONITORING-CIT
Paid Chk# 044810	UNUM LIFE INSURANCE CO	1/2/2019	\$585.97	LIFE, STD, LTD-JAN 2019
Paid Chk# 044811	AMERICAN WATER WORKS ASSN	1/17/2019	\$324.00	ANNUAL DUES-KIRKEBY
Paid Chk# 044812	AMERIPRIDE	1/17/2019	\$139.75	RUGS-LIBRARY
Paid Chk# 044813	ASCAP	1/17/2019	\$357.00	2019 LICENSE FEES
Paid Chk# 044814	ASSOC. OF MN BLDG OFFICIALS	1/17/2019	\$100.00	2019 DUES
Paid Chk# 044815	AW RESEARCH LABORATORIES	1/17/2019	\$129.00	TESTING-SEWER
Paid Chk# 044816	BANK OF ZUMBROTA	1/17/2019	\$21,559.00	PED BRIDGE EQUIP CERT-INTEREST
Paid Chk# 044817	BAN-KOE SYSTEMS, INC.	1/17/2019	\$330.00	FIRE ALARM SYSTEM
Paid Chk# 044818	BARROS, MICHAEL	1/17/2019	\$120.80	REIMB MLG-SFST TRNG-10/31-11/2
Paid Chk# 044819	BILLINGS SERVICE	1/17/2019	\$1,607.34	GAS-FIRE
Paid Chk# 044820	BOLTON & MENK INC	1/17/2019	\$14,880.00	2018 ALP UPDATE
Paid Chk# 044821	COILS FLAGS & FLAGPOLES	1/17/2019	\$69.95	SENTRY FLAGPOLE COVER-PARKS
Paid Chk# 044822	CORE & MAIN LP	1/17/2019	\$7,742.35	WATER METERS
Paid Chk# 044823	CORNER MART	1/17/2019	\$1,371.05	GAS-POLICE
Paid Chk# 044824	DOVE FRETLAND PLLP	1/17/2019	\$3,594.79	CRIMINAL RETAINER-DEC 2018
Paid Chk# 044825	E.C.M. PUBLISHERS, INC.	1/17/2019	\$702.55	TRUTH IN TAXATION AD
Paid Chk# 044826	EMERGENCY RESPONSE SOLUTION	1/17/2019	\$6,566.52	SCBA (1)-FIRE DEPT
Paid Chk# 044827	FIRST NATIONAL BANK OF MILACA	1/17/2019	\$132,003.00	2017 LIBRARY REFUNDING-INTERES
Paid Chk# 044828	FISHER, NATHAN	1/17/2019	\$112.60	REIMB CIT TRNG-12/10-14
Paid Chk# 044829	FRONTIER	1/17/2019	\$766.67	PHONE SVC-CITY HALL
Paid Chk# 044830	GALL'S INC.	1/17/2019	\$1,842.00	UNIFORMS-POLICE
Paid Chk# 044831	GK CONSULTING LLC	1/17/2019	\$757.00	CLOUD BACKUP-FIRE DEPT
Paid Chk# 044832	GOPHER STATE ONE-CALL, INC.	1/17/2019	\$10.80	DEC LOCATES
Paid Chk# 044833	GOVOFFICE LLC	1/17/2019	\$650.00	2019 WEBSITE HOSTING
Paid Chk# 044834	GRANITE LEDGE ELECTRIC	1/17/2019	\$358.29	PARTS-SEWER
Paid Chk# 044835	GREATER MN PARKS & TRAILS	1/17/2019	\$150.00	2019 MEMBERSHIP
Paid Chk# 044836	HABERMAN, DIONNE	1/17/2019	\$170.04	DEC 18 OGILVIE MILEAGE
Paid Chk# 044837	HJORT EXCAVATING	1/17/2019	\$712.50	SNOW REMOVAL-12/29
Paid Chk# 044838	JIM'S MILLE LACS DISPOSAL	1/17/2019	\$157.00	GARBAGE-AIRPORT
Paid Chk# 044839	JOHNSON, WARNE	1/17/2019	\$244.50	REIMB CELL PHONE USE-1ST QTR 2
Paid Chk# 044840	KATKE, DELORIS	1/17/2019	\$42.03	SUPPLIES-CITY
Paid Chk# 044841	KOCH'S HARDWARE HANK	1/17/2019	\$554.47	SUPPLIES-FIRE
Paid Chk# 044842	LEAGUE OF MN CITIES INSUR TRST	1/17/2019	\$1,746.00	JOINT POWERS
Paid Chk# 044843	LINDHOLM, ROGER & BESSIE	1/17/2019	\$13.75	OVERPYMT-1004 9TH ST NE
Paid Chk# 044844	M.E. PLUMBING & HEATING	1/17/2019	\$1,322.62	FURNACE REPAIRS-WATER TRMT PLA
Paid Chk# 044845	MIKE NELSON'S AUTO GLASS	1/17/2019	\$470.95	WINDSHIELD RPRS-TANKER 1
Paid Chk# 044846	MILACA AUTO VALUE	1/17/2019	\$4.49	PARTS-PW

CITY OF MILACA
Check Summary Register
10100 General Bank - Checks

	Name	Check Date	Check Amt	Description
Paid Chk# 044847	MILACA CHAMBER OF COMMERCE	1/17/2019	\$752.60	NOV 18 LODGING TAX
Paid Chk# 044848	MILACA, CITY OF	1/17/2019	\$47,632.50	JOINT POWERS EXPENSE
Paid Chk# 044849	MN COMPUTER SYSTEMS, INC.	1/17/2019	\$78.01	COPIER MAINTENANCE-CITY
Paid Chk# 044850	MN DEPT OF PUBLIC SAFETY	1/17/2019	\$100.00	HAZ MAT RIGHT TO KNOW
Paid Chk# 044851	MN DNR - OMB	1/17/2019	\$468.35	ANNUAL REPORT OF WATER USE
Paid Chk# 044852	MN STATE FIRE CHIEFS ASSOC	1/17/2019	\$321.00	2019 DUES
Paid Chk# 044853	MN STATE FIRE DEPT ASSOC REG ;	1/17/2019	\$264.00	2019 DUES
Paid Chk# 044854	NORTHLAND TRUST SERVICES, INC	1/17/2019	\$249,941.25	GO 2010A PRINCIPAL
Paid Chk# 044855	OLDENBURG, JOHN	1/17/2019	\$75.00	CELL PHONE REIMB-1ST QTR 2019
Paid Chk# 044856	PFAFF, TAMMY	1/17/2019	\$150.00	CELL PHONE REIMB-1ST QTR 2019
Paid Chk# 044857	QUILL CORPORATION	1/17/2019	\$569.27	PRINTER TONER-PW
Paid Chk# 044858	RASMUSSEN, QUINN	1/17/2019	\$34.65	REIMB FUEL FOR SQUAD
Paid Chk# 044859	RWB EMERGENCY LIGHTING	1/17/2019	\$1,153.48	SQUAD CONSOLE-POLICE
Paid Chk# 044860	STANTEC	1/17/2019	\$2,682.30	CSAH32 (2ND ST/3RD AVE) PROJEC
Paid Chk# 044861	STREICHER'S	1/17/2019	\$3,303.60	TACTICAL HELMETS-POLICE
Paid Chk# 044862	SUPER X POWER	1/17/2019	\$146.18	TRIMMER REPAIR-PARKS
Paid Chk# 044863	TEAL'S MARKET	1/17/2019	\$26.58	BREAKROOM SUPPLIES
Paid Chk# 044864	TOTAL CONTROL SYSTEMS, INC.	1/17/2019	\$843.00	FILTER REPAIR-WATER
Paid Chk# 044865	WEINREICH, JACOB	1/17/2019	\$279.99	CELL PHONE REIMB-1ST QTR 2019
Paid Chk# 044866	WSB & ASSOCIATES INC	1/17/2019	\$1,805.25	ENVIRONMENTAL STUDY-WALTERS PR
Paid Chk# 044867	WUBBEN, MARK	1/17/2019	\$75.00	CELL PHONE REIMB-1ST QTR 2019
	Total Checks		\$536,950.85	

CITY OF MILACA
Check Summary Register
10900 Liquor Bank - ACH

	Name	Check Date	Check Amt	Description
Paid Chk# 919001E	EAST CENTRAL ENERGY	1/7/2019	\$1,744.73	ELECTRIC
Paid Chk# 919002E	CENTERPOINT ENERGY	1/11/2019	\$526.76	NATURAL GAS
Paid Chk# 919003E	MN DEPT OF REVENUE	1/19/2019	\$20,168.00	LIQUOR SALES TAX
Paid Chk# 919004E	MILACA, CITY OF (WATER/SEWER)	1/15/2019	\$27.40	WATER/SEWER
Paid Chk# 919005E	HIBU	1/11/2019	\$129.99	WEB HOSTING-JAN 2019
	Total Checks		\$22,596.88	

CITY OF MILACA
Check Summary Register
10900 Liquor Bank - Checks

	Name	Check Date	Check Amt	Description
Paid Chk# 024699	MILACA, CITY OF	12/26/2018	\$500.00	REIMB POSTAGE
Paid Chk# 024700	VERIZON WIRELESS	12/26/2018	\$41.52	DEC DIGITAL SIGN
Paid Chk# 024701	VISA	12/26/2018	\$86.01	CHRISTMAS DECORATIONS-LIQUOR
Paid Chk# 024702	BERNICKS	1/3/2019	\$2,651.20	NA
Paid Chk# 024703	BREAKTHRU BEVERAGE MN	1/3/2019	\$9,724.71	DELIVERY
Paid Chk# 024704	BROOKVIEW WINERY	1/3/2019	\$192.00	WINE
Paid Chk# 024705	C & L DISTRIBUTING CO.	1/3/2019	\$26,340.35	WINE
Paid Chk# 024706	DAHLHEIMER DISTRIBUTING CO.	1/3/2019	\$31,522.26	BEER
Paid Chk# 024707	FRONTIER	1/3/2019	\$144.06	JAN PHONE SVC
Paid Chk# 024708	INDIAN ISLAND WINERY	1/3/2019	\$249.60	WINE
Paid Chk# 024709	J.J. TAYLOR DIST OF MN	1/3/2019	\$58.30	BEER
Paid Chk# 024710	JOHNSON BROTHERS LIQUOR CO.	1/3/2019	\$25,888.87	LIQUOR
Paid Chk# 024711	NORTHERN HOLLOW WINERY	1/3/2019	\$225.12	WINE
Paid Chk# 024712	PAUSTIS WINE CO.	1/3/2019	\$1,671.00	WINE
Paid Chk# 024713	PHILLIPS WINE AND SPIRITS	1/3/2019	\$6,160.04	DELIVERY
Paid Chk# 024714	SENTRY SYSTEMS, INC.	1/3/2019	\$593.16	2019 ALARM MONITORING
Paid Chk# 024715	SOUTHERN GLAZERS OF MN	1/3/2019	\$11,684.06	LIQUOR
Paid Chk# 024716	WATSON COMPANY	1/3/2019	\$963.75	TOBACCO
Paid Chk# 024717	WINE MERCHANTS	1/3/2019	\$989.80	DELIVERY
Paid Chk# 024718	AMERICAN BOTTLING CO.	1/17/2019	\$235.40	NA
Paid Chk# 024719	AMERIPRIDE	1/17/2019	\$170.31	RUGS
Paid Chk# 024720	GRANITE CITY JOBBING	1/17/2019	\$3,532.12	DELIVERY
Paid Chk# 024721	JIM'S MILLE LACS DISPOSAL	1/17/2019	\$81.90	REFUSE COLLECTION
Paid Chk# 024722	KANABEC PUBLICATIONS	1/17/2019	\$36.00	ADVERTISING
Paid Chk# 024723	KOCH'S HARDWARE HANK	1/17/2019	\$38.09	SUPPLIES
Paid Chk# 024724	M. AMUNDSON LLP	1/17/2019	\$2,413.03	MISC
Paid Chk# 024725	VIKING BOTTLING CO.	1/17/2019	\$806.35	NA
	Total Checks		\$126,999.01	

RESOLUTION NO. 19-01

A RESOLUTION ACCEPTING RESIGNATION AND DECLARING A VACANCY.

WHEREAS, the City of Milaca City Council has received the written resignation of Council Member Ken Muller, effective on January 1, 2019.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILACA, MINNESOTA AS FOLLOWS:

1. The council accepts Ken Muller's resignation as described above.

The council declares that a vacancy exists on council effective on January 17, 2019.

Passed by the City Council of City of Milaca, Minnesota this 17th day of January, 2019.

Mayor- Harold Pedersen

Attested:

City Manager -Tammy Pfaff

Kenneth D Muller
337 8th Street NW
Milaca, MN 56353
(320) 630-5064
kdmuller383@gmail.com

December 31, 2018

Honorable Mayor Pete Pederson
City of Milaca
255 1st Street E.
Milaca, MN 56353

Dear Mayor Pete Pederson, Members of City Council, City Manager Tammy Pfaff and Staff.

During the past ten years, I have had the honor and privilege to serve as an elected councilmember along with serving on various committees for the city of Milaca, Minnesota. Thanks to the City Manager, Staff and Councilmembers for their help and support. Thanks to the citizens of Milaca that put their trust in me to represent them.

Recently I have struggled with a decision regarding personal commitments and family commitments. Due to recent changes I feel the need to spend more time with my family and have made the decision to resign my Councilmember position effective Jan 1st, 2019.

I will miss you all and only have gratitude and respect for the time and commitment you all give to our city.

Sincerely,

A handwritten signature in cursive script that reads "Ken Muller".

Ken Muller

Milaca City Council applications now being accepted to fill Council Vacancy

The City of Milaca will be accepting letters of interest and applications to appoint a resident to fill the remainder of a council member vacancy in which the term ends in 2020. The applicant must be eligible to vote in Minnesota, be a resident within city limits and be 21 years of age or more. Applications will be accepted until February ____ at 4:00 p.m. Applications are available at City Hall and on the City's website www.cityofmilaca.org Mail letters of interest and applications to the City Manager Tammy Pfaff at the City of Milaca 255 First Street East, Milaca Minnesota 56353 EOE

RESOLUTION #19-02

**RESOLUTION SETTING ANNUAL APPOINTMENTS AND
OFFICIAL DESIGNATIONS FOR 2019**

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Milaca, hereby sets the following annual appointments and official designations for 2019:

Official Newspaper: Union Times

Official Depositories: First National Bank of Milaca, LPL Financial, Morgan Stanley, 4M Fund, RBC Wealth Management, any FDIC insured institution

Individuals Authorized to Conduct Electronic Funds Transfers: Tracy Gann-Olehy
Tammy Pfaff City Manager

Mayor Protem: Dave Dillan

Order of Succession for Declaring an Emergency: H.Pedersen-Dillan-Johnson-C.Pedersen-TBD

Commission Appointments:

AIRPORT	TERM ENDS
Steve Nelson, Chair	12/31/2020
Leo Vos	12/31/2020
Tim Ammerman	12/31/2020
Dave Smith	12/31/2020
Cheryl West	12/31/2021
Council Member TBD	12/31/2020
PARKS	
Matt Follmuth	12/31/2019
Kevin Marter	12/31/2020
Josh Dehart	12/31/2020
Joe Wildman	12/31/2020
Cory Greninger	12/31/2019
Dan Meyer, Chair	12/31/2021
Cindy Biederman, Secretary	12/31/2021
Council Member Pete Pederson	12/31/2020

PLANNING

Arla Johnson	12/31/2021
Joe Millam	12/31/2020
Scott Harlicker, Chair	12/31/2019
Pam Novak	12/31/2020
Sherie Billings	12/31/2021
Council Member TBD	12/31/2022
Removal of Luke Kotsmith	

Personnel Committee

City Manager-Tammy Pfaff	12/31/2019
Mayor-Pete Pedersen	12/31/2019
Council Member- Dave Dillan	12/31/2019

Budget Committee

City Manager-Tammy Pfaff	12/31/2019
City Treasurer-Tracy Gann-Olehy	12/31/2019
Mayor-Pete Pedersen	12/31/2019
Council Member-Norris Johnson	12/31/2019

EDC-Economic Development Committee

Chair-Joe Cronin
Council Member-Dave Dillan
City Manager- Tammy Pfaff
Secretary- Tim Truebenbach

Tourism Board- To be determined at the January 24th, 2019 meeting.

RISE- Council Representative- Cory Pedersen

Adopted this 17th day of January 2019.

ATTEST

Harold Pedersen, Mayor

Tammy Pfaff, City Manager

RESOLUTION NO. 19 – 03

RESOLUTION ASSESSING UNPAID WATER/SEWER BILLS

BE IT RESOLVED that the following unpaid water and sewer bill be levied against the described property for 2020 property taxes, for 1 (one) year, at a rate of 7 (seven) percent per annum:

PID #	OWNER	ADDRESS	ASSESSED
21-043-0760	Lahr, Mitchell	305 3 rd Ave SE	\$163.12

Adopted this 17th day of January, 2019.

Mayor Harold Pedersen

ATTEST

Tammy Pfaff, City Manager

RESOLUTION NO. 19 – 04

RESOLUTION APPROVING BUDGET ADJUSTMENTS

BE IT RESOLVED by the Milaca City Council that the Council hereby approves the following budget changes for 2018:

Act Type	Account		Original Budget	Increase	Decrease
General Fund					
R	101-32210	Building Permits	64,000.00		46,000.00
R	101-33160	Other Grant/Gifts	18,000.00	112,330.00	
R	101-34113	Rental Property Fee	-	4,125.00	
R	101-36204	Miscellaneous Refunds	6,000.00	5,920.00	
R	101-39100	Sale of Property	-	24,760.00	
R	101-39203	Transfer from Other Fund	7,500.00	1,520.00	
R	101-39204	Transfer from Fire Dept Reserv	50,000.00	23,000.00	
E	101-41940-122	FICA	27,330.00	500.00	
E	101-41940-131	Employer Paid Health	58,235.00	11,750.00	
E	101-41940-134	Employer Paid Health Saving	33,300.00	3,000.00	
E	101-41940-240	Small Tools and Minor Equip	1,500.00	2,700.00	
E	101-41940-310	Other Professional Services	11,300.00	4,790.00	
E	101-41940-401	Repairs/Maint Buildings	10,000.00	6,550.00	
E	101-42110-101	Full-Time Regular	304,825.00	3,285.00	
E	101-42280-208	Training and Travel	5,000.00	2,300.00	
E	101-42280-241	Reserve Purchase	-	32,350.00	
E	101-43000-217	Other Operating Supplies	6,000.00	21,625.00	
E	101-43000-310	Other Professional Services	15,000.00	5,920.00	
E	101-43000-403	Repairs/Maint Streets	93,670.00		6,500.00
E	101-43000-580	Other Equipment	75,670.00	9,830.00	
E	101-45200-104	Temp-Summer Help	9,800.00	6,000.00	
E	101-45200-240	Small Tools and Minor Equip	8,100.00	2,550.00	
E	101-45200-401	Repairs/Maint Buildings	8,100.00	4,555.00	
E	101-45200-530	Improv Other Than Bldgs	-	49,650.00	
E	101-45200-580	Other Equipment	-	10,500.00	
E	101-45210-105	Temp-Winter Help	2,500.00	1,000.00	
E	101-45500-310	Other Professional Services	7,560.00	4,800.00	
E	101-45500-401	Repairs/Maint Buildings	3,500.00	4,875.00	
E	101-45600-310	Other Professional Services	500.00		500.00
E	101-45600-381	Utilities	3,000.00		3,000.00
E	101-45600-401	Repairs/Maint Buildings	7,000.00		7,000.00

Act Type	Account		Original Budget	Increase	Decrease
E	101-45600-437	Other Miscellaneous	1,000.00		1,000.00
E	101-45600-530	Improv Other Than Bldgs	8,000.00		8,000.00
E	101-49010-310	Other Professional Services	-	400.00	
E	101-49010-361	Liability/Property	-	300.00	
E	101-49010-381	Utilities	-	4,000.00	
E	101-49010-437	Other Miscellaneous	-	500.00	
E	101-49200-450	Unallocated	6,500.00	2,685.00	
E	101-49810-310	Other Professional Services	4,000.00	41,895.00	
E	101-49810-510	Land	-	59,850.00	
E	101-49910-131	Employer Paid Health	1,770.00	900.00	
Special Revenue Funds					
E	200-46500-310	Other Professional Services	-	3,100.00	
E	200-46500-437	Other Miscellaneous	-	14,225.00	
E	200-46500-510	Land	-	35,510.00	
E	208-45600-310	Other Professional Services	-	500.00	
E	208-45600-381	Utilities	-	3,000.00	
E	208-45600-401	Repairs/Maint Buildings	-	7,000.00	
E	208-45600-437	Other Miscellaneous	-	1,000.00	
E	208-45600-530	Improv Other Than Bldgs	-	8,000.00	
E	208-49010-310	Other Professional Services	100.00		400.00
E	208-49010-361	Liability/Property	300.00		300.00
E	208-49010-381	Utilities	4,000.00		4,000.00
E	208-49010-437	Other Miscellaneous	500.00		500.00
E	208-49020-406	Trail Maintenance	1,500.00	1,400.00	
E	208-49020-700	Transfer to General Fund	7,500.00	1,000.00	
R	210-36230	Contributions and Donations	50,000.00	23,000.00	
E	210-42280-700	Transfer to General Fund	50,000.00	23,000.00	
E	211-49000-437	Other Miscellaneous	-	1,000.00	
R	214-34750	Rec Fest Charges	10,000.00	4,615.00	
E	214-49000-310	Other Professional Services	7,000.00	2,450.00	
E	214-49000-343	Other Advertising	2,000.00	610.00	
E	214-49000-437	Other Miscellaneous	1,000.00	4,120.00	
Debt Service Funds					
E	381-47000-700	Transfer to General	-	520.00	
Enterprise Funds					
R	619-37900	Motor Vehicle License	110,000.00	12,800.00	
E	619-49900-103	Part-Time Employees	64,605.00	12,800.00	

Adopted this 17th day of January, 2019.

Mayor Harold Pedersen

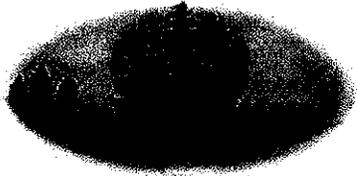
ATTEST

Tammy Pfaff, City Manager

Calls for Service By Type

12/1/2018 to 12/31/2018

Type	
911 Hang Up	1
Accident	4
Agency Assist	27
Alarm	13
Animal	5
Assault	3
Burglary	2
Child Custody	5
Civil Issue	1
Community Contact	2
Death Investigation	1
Disturbance	1
Domestic	1
Driving Complaint	2
Family Services Referral	8
Found Property	1
Fraud-Forgery-Scam	4
Funeral Escort	1
Gas Drive Off	1
Harassment Complaint	4
Icr Misc	22
Juvenile Complaint	16
Lockout	7
Lost Property	1
Medical	41
Missing Adult	1
Motorist Assist	3
Noise Complaint	2
OFP Violation	3
Parking Complaint	59
Property Exchange	1
Public Assist	16
Remove Unwanted	3
Suicidal Party	4
Suspicious Activity	11
Theft	2
Threats Complaint	3
Traffic	83
Welfare Check	5
Grand Total	370



Milaca Public Works

Supervisor's Report for December 2018 – January 2019

Public Works:

- Plowed streets 3 times, downtown snow removal done twice.
- Trees trimmed at museum.
- Christmas decorations being taken down.
- Changing out old water meters with new meters.
- Repairing and maintenance on road patch roller.
- 2011 Chevy truck was damaged during plowing, it is currently being repaired.
- Yearly DNR water usage report done.
- Yearly Hazmat report for water plant chlorine usage done.
- Water plant maintenance (change chemical lines, grease & oil pumps, change belts, regenerate cells, clean water detention tank.)
- Getting repair estimates for Senior Center roof and interior ceiling damage.

Parks:

- Flooding and maintaining skating rink.
- Fixed and repainted wooden garbage bins for parks.
- Trimmed bushes at Rec Park.
- Sharpened all lawn mower blades.
- Groomed ski trails once.

Airport:

- Brush mowed surrounding airport.
- Plowed and snow blown 3 times.

Tammy Pfaff

From: Billings Service <billings_svc@citlink.net>
Sent: Monday, January 14, 2019 8:21 AM
To: Tammy Pfaff
Subject:  2019 Fire Dept officers

Tammy, Same officers as last year:

Chief Craig Billings

Deputy Chief Jesse Gerads

Deputy Chief Mike Nelson

Captain Adam Solomon

Captain Andy Ziegler

Secretary Chris Ehlen

[Spam](#)

[Phish/Fraud](#)

[Not spam](#)

[Forget previous vote](#)



Stantec Consulting Services Inc.
733 Marquette Avenue Suite 1000, Minneapolis MN 55402-2309

January 8, 2019

Tammy Pfaff, Manager
City of Milaca
255 1st Street E
Milaca, MN 56353

Re: 8th Street NE and 6th Avenue NE Street Improvements

Dear Tammy,

As requested, we have reviewed possible options for a street maintenance project on 8th Street NE and 6th Avenue NE in the 1972 Industrial Park.

PROPOSED IMPROVEMENTS.

Based on earlier discussions, we assume that whole scale removal and replacement of the existing concrete curb and gutter is not going to be part of the project. We also assume that no improvements will be made to the existing sewer and water main.

We used information obtained from the geotechnical borings completed this fall as part of our evaluation. The borings indicate that the existing bituminous thickness on the streets ranges from 5.5-inches to 9.0-inches with an overall average thickness of about 8-inches. The borings also revealed that there is an aggregate base below the bituminous ranging in from 21.0-inches to 24.5-inches in depth. Given this information, there are 2 options for the streets that the city can consider.

1. The street surface can be replaced as part of a "**mill and overlay**" process. A mill and overlay process includes removing the top portion of the bituminous surface, patching some areas, and placing a bituminous overlay.
2. The street surface and base can be improved by a "**bituminous reclamation and overlay**" process. A bituminous reclamation and overlay process includes removing the top portion of the bituminous, then "reclaiming" the remaining bituminous and a portion of the aggregate base by grinding the material into a homogeneous material. The reclaimed material is then compacted, and a new bituminous surface is placed over the reclaimed material.

There are pros and cons to both street improvement methods. The mill and overlay option is less expensive, but it doesn't repair underlying cracks in the bituminous which may lead to some reflective cracking. The bituminous reclamation and overlay process is more expensive, but it addresses the issue of underlying cracking. Drawbacks of the reclamation process are that the construction takes longer and there can be issues with access to adjacent properties. In this instance, another drawback with the reclamation process would be that the subgrade below the bituminous would be exposed which could cause some unforeseen issues.

Design with community in mind

Reference: 8th Street NE and 6th Avenue NE Street Improvements

COSTS AND POSSIBLE ASSESSMENTS.

Costs-

An Opinion of Probable Costs has been prepared for three possible street improvement options. If the city is interested, we could bid 2 or 3 of the options to obtain better pricing and a decision on which option to pursue could be made after bids are received.

A summary of the estimated total project costs for three street improvement options is presented below. The estimated total project costs below include construction costs, plus a 5% contingency, plus estimated soft costs (legal, administrative, and engineering) of 18%. Detailed estimates are available.

OPINION OF PROBABLE COSTS

<u>Improvement Option</u>	<u>Estimated Cost</u>
4-inch Mill and Overlay	\$385,000
5-inch Mill and Overlay	\$450,000
Reclaim Exist. Bituminous and 5-inch Pavement	\$545,000

Possible Assessments-

The city could choose to assess a portion of the total project costs to benefitting adjacent property owners. On previous street improvement projects in the early 2000's the city assessed approximately 35% of project costs. It's believed that the assessment rate for commercial properties under the 2001 Street Improvement project were approximately \$13.00 per front foot.

We have estimated approximate assessment rates for the three street improvement options. Estimates were determined based on assessing 20%, 30%, and 40% of the project costs. A summary of the estimated assessment rates for 8th Street and 6th Avenue is shown below.

ASSESSMENT RATES

<u>Improvement Option</u>	<u>Estimated Total Cost</u>	<u>rate at 20% assessment</u>	<u>rate at 30% assessment</u>	<u>rate at 40% assessment</u>
4" mill & overlay	\$385,000.00	\$11.16/ft.	\$16.74/ft.	\$22.32/ft.
5" mill & overlay	\$450,000.00	\$13.04/ft.	\$19.57/ft.	\$26.09/ft.
reclaim and 5" bit.	\$545,000.00	\$15.80/ft.	\$23.70/ft.	\$31.59/ft.

There are 18 parcels that abut the streets in the project area. A spreadsheet with estimated assessments at 20% of project cost and 30% of project cost for the 5-inch mill and overlay option is attached to provide an idea of the magnitude of possible assessments. Included with the assessments is a hand sketched map showing the properties and front footages.

If the city elects not to assess any of the project costs, project financing could possibly be provided by Street Reconstruction Bonds. Your fiscal consultant can provide advice on both the Chapter 429 (assessment) and the Street Reconstruction Bond methods of project financing.

Reference: 8th Street NE and 6th Avenue NE Street Improvements

SCHEDULE.

A general schedule for the project is outlined below. The schedule can be modified as necessary to reflect the wishes of the city.

Authorize Feasibility Report	January 17, 2019
Approve Final Feasibility Report – Call for Hearing	February 21, 2019
Authorize Preparation of Plans and Specifications	February 21, 2019
Public Improvement Hearing	March 21, 2019
Approve Plans and Specifications	March 21, 2019
Authorize Advertisement for Bids	March 21, 2019
Receive/Open Bids	April 2019
Award Construction Contract	April 18, 2019
Start Construction	May 2019
Substantial/Final Completion	Fall 2019
Assessment Hearing	September 2019
Certificate of Assessment to County Auditor	November 2019

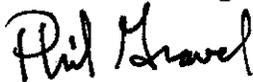
RECOMMENDATIONS.

At this time, we offer the following suggestions:

- Consider the three possible street improvement options and determine if there is a city preference.
- Consider whether the city wants to assess a portion of the project costs. If so, pass a resolution ordering the preparation of a Feasibility Report for the project and follow the Chapter 429 process.
- If the City would prefer not to assess a portion of the project costs, pass a Motion or Resolution ordering preparation of and updated 5-year Street Reconstruction Plan and follow the street reconstruction bond process.

It would be good to bid the project around April to take advantage of a competitive bid market during that period. Feel free to contact Chuck Boser or me if you have any questions. We'd be pleased to meet with you to review this information.

Regards,
Stantec Consulting Services Inc.



Phil Gravel, Principal
Phone: 612-712-2053
Phil.Gravel@stantec.com

Attachment: Map and Spreadsheet with Property Owners

City of Milaca, Minnesota
2019 General Obligation Street Reconstruction Bonds
Preliminary Financing Scenarios
(based upon non-rated interest rates as of 1/4/19)

	Scenario 1 10-Year Term	Scenario 2 15-Year Term
BOND OVERVIEW		
Net Project Fund Amount	\$ 385,000	\$ 385,000
Add Costs of Issuance and Rounding	\$ 15,000	\$ 15,000
Bond Amount	\$ 400,000	\$ 400,000
Bond term (Years)	10	15
Avg. Interest Rate	2.82%	3.25%
Total Net Debt Service	\$ 471,011	\$ 517,886
Avg. Annual Debt Service	\$ 47,101	\$ 34,526
105% Sinking Annual Debt Service	\$ 49,456	\$ 36,252

TAX IMPACT		
Annual Levy Required	\$ 49,456	\$ 36,252
Tax Impact Information		
Net Tax Capacity Value (Pay 2018)	\$ 1,366,901	\$ 1,366,901
Estimated Net Tax Rate Increase	3.6181%	2.6521%
Market Value of Residential Property		
50,000	\$ 10.85	\$ 7.96
75,000	\$ 16.28	\$ 11.93
100,000	\$ 25.96	\$ 19.03
150,000	\$ 45.68	\$ 33.49
200,000	\$ 65.40	\$ 47.94
250,000	\$ 85.12	\$ 62.39
300,000	\$ 104.84	\$ 76.85
350,000	\$ 124.56	\$ 91.30
Mkt Value of Commercial-Industrial Property		
100,000	\$ 54.27	\$ 39.78
250,000	\$ 153.77	\$ 112.72
400,000	\$ 262.31	\$ 192.28
600,000	\$ 407.04	\$ 298.37

Example

**City of Milaca, Minnesota
2019 General Obligation Street Reconstruction Bonds
(based upon non-rated interest rates as of 1/14/19)**

Preliminary Financing Scenarios / 10 Year Term / 5" Mill & Overlay

	Scenario 1	Scenario 2
	20% Assessed	30% Assessed
	10 Year Term	10 Year Term
BOND OVERVIEW		
Net Project Fund Amount	\$ 450,000	\$ 450,000
Add Costs of Issuance and Rounding	\$ 20,000	\$ 20,000
Bond Amount	\$ 470,000	\$ 470,000
Bond term (Years)	10	10
Avg. Interest Rate	2.78%	2.78%
Total Net Debt Service	\$ 552,034	\$ 552,034
Avg. Annual Debt Service	\$ 55,203	\$ 55,203
1.5% Statutory Annual Debt Service	\$ 57,964	\$ 57,964

Special Assessment Revenues		
Annual Special Assessment Revenues	\$ 17,795	\$ 17,693

TAX IMPACT		
Annual Levy Required	\$ 48.169	\$ 40.271
Tax Impact Information		
Net Tax Capacity Value (Pay 2018)	\$ 1,366,901	\$ 1,366,901
Estimated Net Tax Rate Increase	3.3776%	2.9461%
Market Value of Residential Property		
50,000	\$ 10.13	\$ 8.84
75,000	\$ 15.20	\$ 13.26
100,000	\$ 24.24	\$ 21.14
150,000	\$ 42.65	\$ 37.20
200,000	\$ 61.05	\$ 53.25
250,000	\$ 79.46	\$ 69.31
300,000	\$ 97.87	\$ 85.37
350,000	\$ 116.28	\$ 101.42
Mkt Value of Commercial-Industrial Property		
100,000	\$ 50.66	\$ 44.19
250,000	\$ 143.55	\$ 125.21
400,000	\$ 244.88	\$ 213.60
600,000	\$ 379.98	\$ 331.44

Example

**City of Milaca, Minnesota
2019 General Obligation Street Reconstruction Bonds
(based upon non-rated interest rates as of 1/14/19)**

Preliminary Financing Scenarios / 15-Year Term / 5" Mill & Overlay

Scenario 1	Scenario 2
20% Assessed 15-Year Term	30% Assessed 15-Year Term

BOND OVERVIEW		
Net Project Fund Amount	\$ 450,000	\$ 450,000
Add Costs of Issuance and Rounding	\$ 20,000	\$ 20,000
Bond Amount	\$ 470,000	\$ 470,000
Bond term (Years)	15	15
Avg. Interest Rate	3.23%	3.23%
Total Net Debt Service	\$ 609,703	\$ 609,703
Avg. Annual Debt Service	\$ 40,647	\$ 40,647
10% Statutory Annual Debt Service	\$ 42,679	\$ 42,679

Special Assessment Revenues		
Annual Special Assessment Revenues	\$ 6,955	\$ 10,438

TAX IMPACT		
Annual Levy Required	\$ 38,724	\$ 29,246
Tax Impact Information		
Net Tax Capacity Value (Pay 2018)	\$ 1,366,901	\$ 1,366,901
Estimated Net Tax Rate Increase	2.4672%	2.1396%
Market Value of Residential Property		
50,000	\$ 7.40	\$ 6.42
75,000	\$ 11.10	\$ 9.63
100,000	\$ 17.70	\$ 15.35
150,000	\$ 31.15	\$ 27.01
200,000	\$ 44.60	\$ 38.68
250,000	\$ 58.04	\$ 50.34
300,000	\$ 71.49	\$ 62.00
350,000	\$ 84.93	\$ 73.66
Mkt Value of Commercial-Industrial Property		
100,000	\$ 37.01	\$ 32.09
250,000	\$ 104.85	\$ 90.93
400,000	\$ 178.87	\$ 155.12
600,000	\$ 277.56	\$ 240.70



PROJECT NUMBER	048-112-019
PARCEL ID	21-026-0600
QUARTER(S), QUARTER(S)	S 1/2 of SW 1/4
SECTION, TWP, RANGE	26 - 38 - 27
PREPARED BY	FMG
CHECKED BY	

HIGHWAY EASEMENT

GRANTOR City of Milaca, Minnesota, a municipal corporation under the laws of the State of Minnesota

(NAME)

ADDRESS 255 1st Street E, Milaca, MN 56353

(ADDRESS)

IN CONSIDERATION OF \$ 150.00

One Hundred Fifty dollars and 00/100

Receipt of which is hereby acknowledged, do convey and warrant to Mille Lacs County, Minnesota, Grantee, for highway purposes, free and clear of all encumbrances, the unrestricted right to improve the following real estate in Mille Lacs County, Minnesota:

PARCEL 54 MILLE LACS COUNTY HIGHWAY RIGHT OF WAY PLAT NO. 12

And the said Grantor(s), for themselves, their heirs, executors, and assigns, do hereby release the Grantee, it's successors and assigns from all claims for any and all damages resulting to the parcel of land hereby conveyed for construction, maintenance, uses incidental to a public highway and removal of earth and other materials if such removal is necessary for the maintenance or re-construction of the roadway for which this easement is conveyed.

City of Milaca, Minnesota, a municipal corporation
under the laws of the State of Minnesota

Dated _____

By: _____

Its: _____

State of Minnesota
County of _____

This instrument was acknowledged before me on _____, 20__, by _____
_____, the _____ of City of Milaca, Minnesota, a
municipal corporation under the laws of the State of Minnesota.

Notary Public

This instrument was drafted by:
Mille Lacs County Public Works Department
635 2nd Street SE
Milaca, MN 56353



PROJECT NUMBER	048-112-019
PARCEL ID	21-026-0010
QUARTER(S), QUARTER(S)	S 1/2 of SW 1/4
SECTION, TWP, RANGE	26 - 38 - 27
PREPARED BY	FMG
CHECKED BY	

HIGHWAY EASEMENT

GRANTOR City of Milaca, Minnesota, a municipal corporation under the laws of the State of Minnesota

(NAME)

ADDRESS 255 1st Street East, Milaca, MN 56353

(ADDRESS)

IN CONSIDERATION OF \$ 100.00

One Hundred dollars and 00/100

Receipt of which is hereby acknowledged, do convey and warrant to Mille Lacs County, Minnesota, Grantee, for highway purposes, free and clear of all encumbrances, the unrestricted right to improve the following real estate in Mille Lacs County, Minnesota:

PARCEL 58 MILLE LACS COUNTY HIGHWAY RIGHT OF WAY PLAT NO. 12

And the said Grantor(s), for themselves, their heirs, executors, and assigns, do hereby release the Grantee, it's successors and assigns from all claims for any and all damages resulting to the parcel of land hereby conveyed for construction, maintenance, uses incidental to a public highway and removal of earth and other materials if such removal is necessary for the maintenance or re-construction of the roadway for which this easement is conveyed.

City of Milaca, Minnesota, a municipal corporation
under the laws of the State of Minnesota

Dated _____

By: _____

Its: _____

State of Minnesota
County of _____

This instrument was acknowledged before me on _____, 20__, by _____
_____, the _____ of City of Milaca, Minnesota, a
municipal corporation under the laws of the State of Minnesota, on behalf of the corporation.

Notary Public

This instrument was drafted by:
Mille Lacs County Public Works Department
635 2nd Street SE
Milaca, MN 56353



PROJECT NUMBER	048-112-019
PARCEL ID	21-026-0010
QUARTER(S), QUARTER(S)	S 1/2 of SW 1/4
SECTION, TWP, RANGE	26 - 38 - 27
PREPARED BY	FMG
CHECKED BY	

TEMPORARY CONSTRUCTION EASEMENT

GRANTOR City of Milaca, Minnesota, a municipal corporation under the laws of the State of Minnesota

(NAME)

ADDRESS 255 1st Street East, Milaca, MN 56353

(ADDRESS)

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, do convey and warrant to Mille Lacs County, Minnesota, Grantee, for highway purposes, free and clear of all encumbrances, the unrestricted right to improve the following real estate in Mille Lacs County, Minnesota:

PARCEL 58 MILLE LACS COUNTY HIGHWAY RIGHT OF WAY PLAT NO. 12

This Temporary Construction Easement will be limited to a term between January 1, 2019 and December 31, 2020, and shall be for construction purposes, including the right of the Grantee, its contractors, agents, and employees to enter upon said premises at all reasonable times for the purposes of grading and excavation for construction purposes, together with the right to cut, trim, or remove all grass, trees, brush, undergrowth, buildings, structures, improvements, or other obstructions from the Temporary Easement Area, as well as the right to deposit construction materials upon the Temporary Easement Area and to deposit or remove earthen materials from the Temporary Easement Area.

Grantee shall restore the Temporary Easement Area to a condition equal to its condition prior to the commencement of construction, not including damage not caused by Grantee or damage for which Grantor is being compensated by Grantee, unless otherwise agreed to between Grantor and Grantee in writing. Grantee will defend, indemnify and hold Grantor harmless from personal injuries and property damage, including attorneys' fees and costs, arising out of or relating to its use of the Temporary Easement Area that are not proximately caused by the negligence of Grantor.

City of Milaca, Minnesota, a municipal corporation
under the laws of the State of Minnesota

Dated _____

By: _____

Its: _____

State of Minnesota
County of _____

This instrument was acknowledged before me on _____, 20__, by _____
_____, the _____ of City of Milaca, Minnesota, a
municipal corporation under the laws of the State of Minnesota, on behalf of the corporation.

Notary Public

This instrument was drafted by:
Mille Lacs County Public Works Department
635 2nd Street SE
Milaca, MN 56353



December 11, 2018

City of Milaca
255 1st Street E
Milaca, MN 56353

Re: Written Offer to Purchase – Parcel 54
County Name: Mille Lacs County
Project Name: 048-112-019
Property Identification No. 21-026-0600

Dear City of Milaca:

Mille Lacs County will be reconstructing and paving County Roads (CR) 106, 112, and 151. The sites are located approximately: CR106 – 4 ½ miles West of Milaca; CR112 – 1 ½ miles West of Milaca; and CR151 – 5 miles North of Milaca. Each roadway currently has a gravel surface. The proposed roadways shall have a bituminous surface with a 2-foot bituminous shoulder and 4 additional feet of gravel shoulder. It is anticipated that the timeline for construction will be from Spring to Fall of 2019.

Mille Lacs County has hired WSB & Associates to aid in the acquisition of right of way for this project including delivery of the Offer to Purchase. The County submits to you an offer of \$ 150.00, which is at least the approved just compensation value of the referenced property and/or certain rights therein, disregarding any change in the before value of the property caused by the proposed easement acquisition(s).

This offer is based on a Minimum Damage Acquisition Report done by WSB & Associates. The County's offer is summarized in the attached document. A legal description of the property and/or rights to be acquired is shown on Page 3.

You will have a reasonable length of time to consider the offer. To aid in your decision, you may wish to secure your own appraisal. Mille Lacs County will reimburse you for an appraisal in accordance with Minnesota Statute 117.036 (b) & (c). **To receive reimbursement, the appraisal must be completed by a Minnesota licensed real estate appraiser, meet the requirements of "The Uniform Standards of Appraisal Practice" (USPAP) and a copy of the appraisal must be given to Mille Lacs County.**

If you decide to accept the County's offer, the parcel will be acquired by direct purchase and you will be paid upon satisfactory evidence of a merchantable title. If

you do not accept the offer, Mille Lacs County wishes to continue by negotiating with you regarding purchase of your property. Ultimately, the property may be acquired in an eminent domain proceeding if we cannot agree to the terms of the purchase within a reasonable time.

This letter is furnished to inform you of your rights in this land acquisition. **Signing the acknowledgement below does not commit you to an acceptance of the offer.** Your signature below does not affect your right to have the final amount determined through eminent domain proceedings in the event the direct purchase/negotiation method of acquisition is unsuccessful.

On behalf of Mille Lacs County, we wish to thank you for your cooperation and assistance, and we look forward to working with you toward a mutually satisfactory completion of the acquisition process.

Sincerely,

WSB & Associates



Don Tollefson
Right of Way Specialist

Enclosures: Acquisition and Valuation Summary
Parcel sketch
"Guidebook for Property Owners" brochure
Valuation Report
Minnesota Statute 117.036 (b) & (c)
Copy – Easement Document
Copy of this letter for your records

I acknowledge receipt of this letter known as the Written Offer to Purchase on _____, 2018. I (we) also certify that I (we) have received the enclosures listed above.

Owner Name(s) and/or _____
Owner Name(s)

117.036 APPRAISAL AND NEGOTIATION REQUIREMENTS

Subd. 2. Appraisal.

(b) The owner may obtain an appraisal by a qualified appraiser of the property proposed to be acquired. The owner is entitled to reimbursement for the reasonable costs of the appraisal from the acquiring authority up to a maximum of \$1,500 for single family and two-family residential property and minimum damage acquisitions and \$5,000 for other types of property, provided that the owner submits to the acquiring authority the information necessary for reimbursement, including a copy of the owner's appraisal, at least five days before a condemnation commissioners' hearing. For purposes of this paragraph, a "minimum damage acquisition" means an interest in property that a qualified person with appraisal knowledge indicates can be acquired for a cost of \$10,000 or less.

(c) The acquiring authority must pay the reimbursement to the owner within 30 days after receiving a copy of the appraisal and the reimbursement information. Upon agreement between the acquiring authority and the owner, the acquiring authority may pay the reimbursement directly to the Appraiser.



City of Milaca
255 1st Street E
Milaca, MN 56353

Re: Minimum Damage Acquisition Report - Parcel #54
Unaddressed Parcel, PIN #21-026-0600
Mille Lacs County Road 112 Improvement Project

The purpose of the acquisition is to facilitate the improvement through reconstruction and paving of County Road (CR) 112. An inspection of the above-mentioned property was made on October 4, 2018. The purpose of the inspection was to aid in the estimation of the value for the acquisition of that portion of the subject property, which will be acquired by Mille Lacs County, as well as to determine the impact of that acquisition on the remainder of the subject property.

Subject Property Before the Acquisition

The subject property is a primarily rectangular property located with frontage to 130th Ave. (County Road 112) and is 113.31 acres according to County records. The affected area on subject property is zoned Agricultural Residential. The subject property's present highest and best use is not affected by the project. Existing access and setback requirements will also remain unchanged by the project.

Acquisition Description

The acquisition is 1,782 square feet (0.04 acres) of new road right of way. The area being acquired is located along the western boundary of the property.

Subject Property After the Acquisition

The acquisition will not adversely affect the subject property's current or future highest and best use.

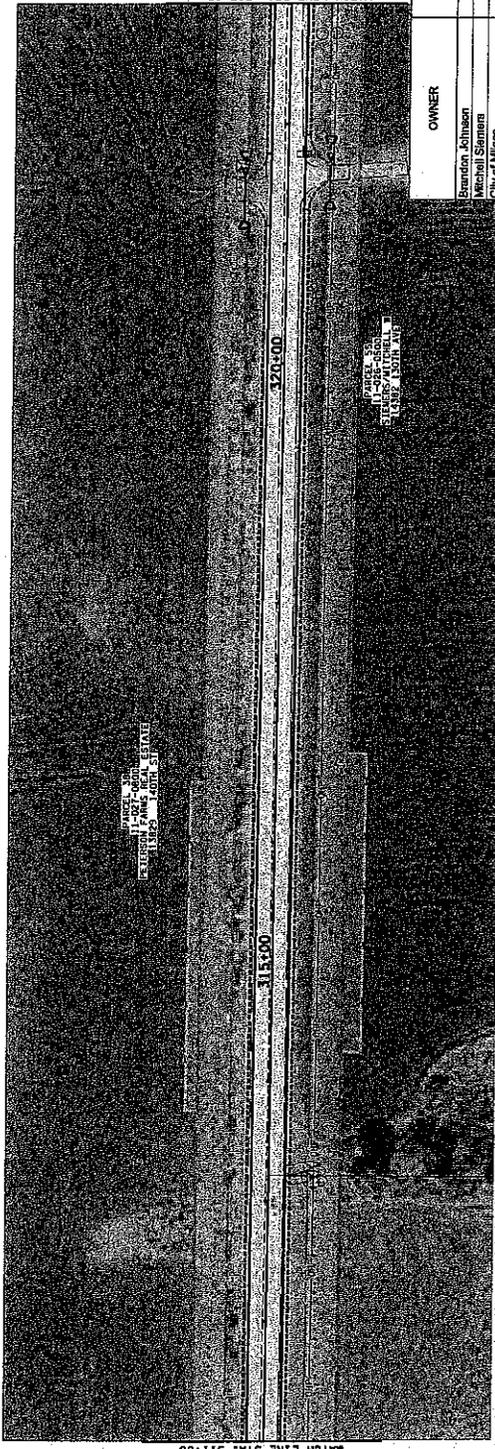
Value Research Data

The comparable sales were weighted in accordance with their comparability to the subject property to arrive at a final estimate of value for the subject property on a price per acre basis. An indicated value range of the subjects per acres is between \$2,637/acre and \$4,000/acre. The average price per acres is \$3,305.00/acre and the median value of the Comparable Data is \$2,694/acre respectively. The subject is considered to have a value in the marketplace of \$3,000.00 per acre. For the Temporary Easement, the value per acre is multiplied at a 10% rate of return for a 2-year period.

Value Summary

Legal Description

Parcel 54 of pending Mille Lacs County Plat on County Road 112



MATCH LINE STA. 311+00
SEE SHEET 8

MATCH LINE STA. 323+00
SEE BELOW

OWNER	PARCEL NUMBERS	RIGHT OF WAY		TEMPORARY EASEMENT	
		(SQ FT)	(ACRE)	(SQ FT)	(ACRE)
Brandon Johnson	37	35,697	0.82	7,500	0.08
Michael Starnatt	54	35,696	0.82	3,750	0.09
City of Milaca	55	7,782	0.04	0	0.00
Dann & Alysa Sanderson	56	9,765	0.22	4,407	0.10
Dann & Alysa Sanderson	58	7,970	0.18	3,467	0.08



MATCH LINE STA. 323+00
SEE ABOVE

MATCH LINE STA. 335+00

LEGEND

- CONSTRUCTION LIMITS
- RIGHT OF WAY
- INPLACE RIGHT OF WAY
- TEMPORARY EASEMENT

MILLE LACS COUNTY, MINNESOTA
COUNTY ROAD 112
RIGHT OF WAY EXHIBIT
C.P. 048-112-019

MILLE LACS COUNTY, MINNESOTA
COUNTY ROAD 112
RIGHT OF WAY EXHIBIT
C.P. 048-112-019

COUNTY ROADS 106, 112, & 151
IMPROVEMENTS
MILLE LACS COUNTY, MINNESOTA

MILLE LACS COUNTY

MILLE LACS COUNTY, MINNESOTA
COUNTY ROAD 112
RIGHT OF WAY EXHIBIT
C.P. 048-112-019

SHEET 9 OF 17 SHEETS

Subject Photograph



Trail entrance



December 11, 2018

City of Milaca
255 1st Street East
Milaca, MN 56353

Re: Written Offer to Purchase – Parcel 58
County Name: Mille Lacs County
Project Name: 048-112-019
Property Identification No. 21-026-0010

Dear City of Milaca:

Mille Lacs County will be reconstructing and paving County Roads (CR) 106, 112, and 151. The sites are located approximately: CR106 – 4 ½ miles West of Milaca; CR112 – 1 ½ miles West of Milaca; and CR151 – 5 miles North of Milaca. Each roadway currently has a gravel surface. The proposed roadways shall have a bituminous surface with a 2-foot bituminous shoulder and 4 additional feet of gravel shoulder. It is anticipated that the timeline for construction will be from Spring to Fall of 2019.

Mille Lacs County has hired WSB & Associates to aid in the acquisition of right of way for this project including delivery of the Offer to Purchase. The County submits to you an offer of \$ 100.00, which is at least the approved just compensation value of the referenced property and/or certain rights therein, disregarding any change in the before value of the property caused by the proposed easement acquisition(s).

This offer is based on a Minimum Damage Acquisition Report done by WSB & Associates. The County's offer is summarized in the attached document. A legal description of the property and/or rights to be acquired is shown on Page 3.

You will have a reasonable length of time to consider the offer. To aid in your decision, you may wish to secure your own appraisal. Mille Lacs County will reimburse you for an appraisal in accordance with Minnesota Statute 117.036 (b) & (c). **To receive reimbursement, the appraisal must be completed by a Minnesota licensed real estate appraiser, meet the requirements of "The Uniform Standards of Appraisal Practice" (USPAP) and a copy of the appraisal must be given to Mille Lacs County.**

If you decide to accept the County's offer, the parcel will be acquired by direct purchase and you will be paid upon satisfactory evidence of a merchantable title. If

you do not accept the offer, Mille Lacs County wishes to continue by negotiating with you regarding purchase of your property. Ultimately, the property may be acquired in an eminent domain proceeding if we cannot agree to the terms of the purchase within a reasonable time.

This letter is furnished to inform you of your rights in this land acquisition. **Signing the acknowledgement below does not commit you to an acceptance of the offer.** Your signature below does not affect your right to have the final amount determined through eminent domain proceedings in the event the direct purchase/negotiation method of acquisition is unsuccessful.

On behalf of Mille Lacs County, we wish to thank you for your cooperation and assistance, and we look forward to working with you toward a mutually satisfactory completion of the acquisition process.

Sincerely,

WSB & Associates



Don Tollefson
Right of Way Specialist

Enclosures: Acquisition and Valuation Summary
Parcel sketch
"Guidebook for Property Owners" brochure
Valuation Report
Minnesota Statute 117.036 (b) & (c)
Copy – Easement Document
Copy of this letter for your records

I acknowledge receipt of this letter known as the Written Offer to Purchase on _____, 2018. I (we) also certify that I (we) have received the enclosures listed above.

Owner Name(s) and/or _____
Owner Name(s)

ACQUISITION AND VALUATION SUMMARY
COUNTY ROAD 112 Reconstruction Project

WSB Project #: 012108-00
Parcel No.: 58
Tax PID: 21-026-0010
Property Address: Unaddressed property
Fee Owner: City of Milaca, Minnesota, a municipal corporation

Description of the property interests to be acquired:

Parcel 58 of MILLE LACS COUNTY HIGHWAY RIGHT OF WAY PLAT NO. 12

ACQUISITION AND VALUATION SUMMARY	
Permanent Easement: .01 acres	\$30
Temporary Easement: .07 Acres	\$42
Severance:	
Other Damages:	
TOTAL (rounded to):	\$100

117.036 APPRAISAL AND NEGOTIATION REQUIREMENTS

Subd. 2. Appraisal.

(b) The owner may obtain an appraisal by a qualified appraiser of the property proposed to be acquired. The owner is entitled to reimbursement for the reasonable costs of the appraisal from the acquiring authority up to a maximum of \$1,500 for single family and two-family residential property and minimum damage acquisitions and \$5,000 for other types of property, provided that the owner submits to the acquiring authority the information necessary for reimbursement, including a copy of the owner's appraisal, at least five days before a condemnation commissioners' hearing. For purposes of this paragraph, a "minimum damage acquisition" means an interest in property that a qualified person with appraisal knowledge indicates can be acquired for a cost of \$10,000 or less.

(c) The acquiring authority must pay the reimbursement to the owner within 30 days after receiving a copy of the appraisal and the reimbursement information. Upon agreement between the acquiring authority and the owner, the acquiring authority may pay the reimbursement directly to the Appraiser.



City of Milaca
255 1st Street E
Milaca, MN 56353

Re: Minimum Damage Acquisition Report - Parcel #58
Unaddressed Parcel, PIN #21-026-0010
Mille Lacs County Road 112 Improvement Project

The purpose of the acquisition is to facilitate the improvement through reconstruction and paving of County Road (CR) 112. An inspection of the above-mentioned property was made on October 4, 2018. The purpose of the inspection was to aid in the estimation of the value for the acquisition of that portion of the subject property, which will be acquired by Mille Lacs County, as well as to determine the impact of that acquisition on the remainder of the subject property.

Subject Property Before the Acquisition

The subject property is a primarily rectangular property located with frontage to 127th Ave. (County Road 112) and is 10.4 acres according to County records. The affected area on subject property is zoned Agricultural Residential. The subject property's present highest and best use is not affected by the project. Existing access and setback requirements will also remain unchanged by the project.

Acquisition Description

The acquisition is 21 square feet (0.01 acres) of new road right of way and 2,854 square feet (0.07 acre) of temporary easement. The Temporary Easement will expire on December 31, 2020. The area being acquired is located along the western boundary of the property.

Subject Property After the Acquisition

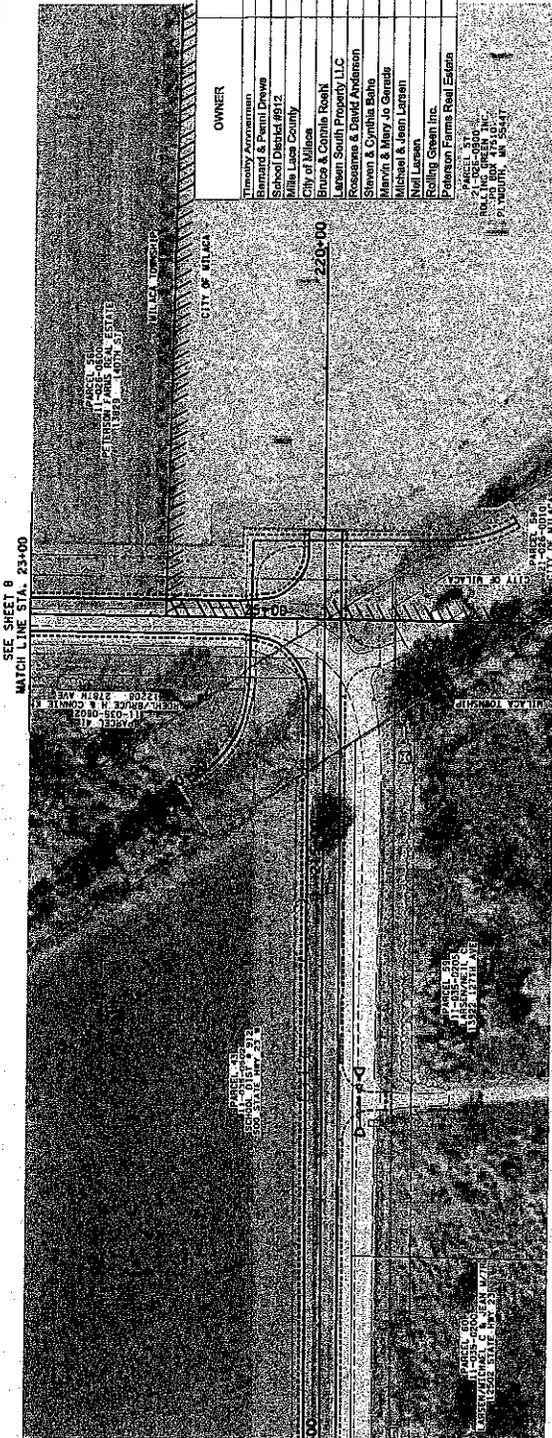
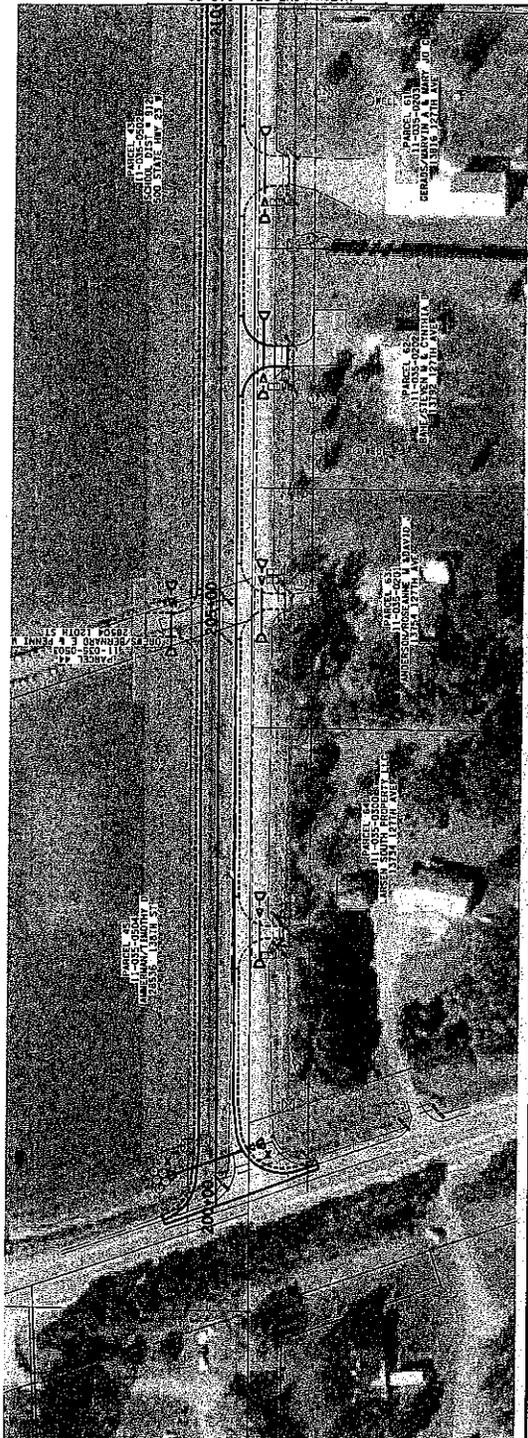
The acquisition will not adversely affect the subject property's current or future highest and best use. The fence on subject property will not be affected by project.

Value Research Data

The comparable sales were weighted in accordance with their comparability to the subject property to arrive at a final estimate of value for the subject property on a price per acre basis. An indicated value range of the subjects per acres is between \$2,637/acre and \$4,000/acre. The average price per acres is \$3,305.00/acre and the median value of the Comparable Data is \$2,694/acre respectively. The subject is considered to have a value in the marketplace of \$3,000.00 per acre. For the Temporary Easement, the value per acre is multiplied at a 10% rate of return for a 2-year period.

Legal Description

Parcel 58 of pending Mille Lacs County Plat on County Road 112



LEGEND

- CONSTRUCTION LIMITS
- RIGHT OF WAY
- IMPLACE RIGHT OF WAY
- TEMPORARY EASEMENT

PARCEL NUMBERS	RIGHT OF WAY (SQ FT)	ACRES	TEMPORARY EASEMENT (SQ FT)	ACRES
45	22,838	0.53	354	0.01
44	1,877	0.04	349	0.01
43	58,255	1.29	268	0.01
42	6,070	0.14	7,460	0.17
55	21	0.00	2,854	0.07
41	23,379	0.54	0	0.00
64	0	0.00	0	0.00
63	0	0.00	0	0.00
62	0	0.00	0	0.00
61	0	0.00	0	0.00
60	0	0.00	0	0.00
59	0	0.00	0	0.00
57	8,283	0.19	5,007	0.11
55	84,483	1.93	925	0.02

MILLE LACS COUNTY, MINNESOTA
 COUNTY ROAD 112
 RIGHT OF WAY EXHIBIT
 C.P. 048-112-019

MILLE LACS COUNTY
 COUNTY ROADS 106, 112, & 151
 IMPROVEMENTS
 MILLE LACS COUNTY, MINNESOTA

MILLE LACS COUNTY

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SEE SHEET B
 MATCH LINE STA. 210+00

SEE ABOVE
 MATCH LINE STA. 210+00

SHEET 7 OF 17 SHEETS

Subject Photograph



Looking east toward subject property