

JOINT CITY COUNCIL/LIBRARY COMMITTEE SPECIAL MEETING
CITY OF CROSSLAKE
TUESDAY, JANUARY 3, 2006
9:00 A.M. – CITY HALL

Pursuant to due notice and call, the Council for the City of Crosslake met in a Special Session with the Library Committee on Tuesday, January 3, 2006 at 9:00 A.M. at City Hall. The following Councilmember's were present: Mayor Jay Andolshek, Terry Curtis, Dean Eggena, Dick Phillips and Dean Swanson. Also present was City Administrator Tom Swenson, Park Director Jon Henke and Clerk/Treasurer Darlene Roach. Present from the Library Committee were Chair Alden Hardwick, Sandy Eliason, Marilyn Daughenbaugh, Sue Buchite, Kris Gardinier, Mary Hardwick, Pat Tweed and Jim Stevenson. Park Advisory Committee Members Morrie Mikkelson and Bob Mattson were also in attendance. Special invited guests Kenneth and Virginia Merrill were in attendance as well as fifteen other individuals.

Mayor Andolshek called the meeting to order and stated this was a Joint Meeting with the City Council and Library Committee. The meeting was then turned over to Alden Hardwick who introduced Ken and Virginia Merrill and thanked them for their generous donations totaling \$250,000 for the Library. Mr. and Mrs. Merrill addressed the Council and audience and stated that they love Crosslake and are happy to be able to do this. Mr. Merrill then stated "lets get the show on the road and get it done". Park Director Jon Henke thanked the Merrill's for their generosity which will be appreciated by many for years to come. Henke stated that this a great way to start out the New Year.

Park Director Jon Henke presented a brief background of the Community Center. The original community center burned in 1994 and in 1995, the voters approved a bond referendum which allowed \$640,000 for construction of a new Community Center. This Center opened in the Fall of 1996 and has served the community well with over 30,000 users utilizing the facility annually.

Library Chair Alden Hardwick presented a brief background of the Library Committee's formation and work to date. The Committee was started approximately 7 years ago with Sandy Eliason as the Chair of the Committee. At that time, the Council authorized the hiring of a consultant to assist the Committee on a number of things including how to conduct fund raising activities. Most of the progress, however has taken place over the past one and a half years. Many pledges and donations have come in over the past few years and including the Merrill's donation, the fund contains approximately \$405,000.

Henke stated that the reason the Building Committee, a subcommittee of the Park and Recreation Advisory Commission and the Library Committee, are considering the expansion of the Community Center along with the Library is that both the Park Department and Library can use common areas to the benefit of both. The weight room at the Community Center is one of the major revenue producers and while most of the equipment has been donated, the City needs to look at ADA requirements which can be addressed during design. This improvement will give better security for the weight room which is a current concern.

Hardwick noted that the building expansion for the library would be on the east end of the Community Center. A conceptual drawing of the entrance to the proposed library and a drawing showing the Community Center with the Library addition was reviewed by the Council. The addition will be constructed to match the current building. Different colors will be used to make the addition more attractive. Restrooms, the fireplace area and the parking lot will be shared by both groups, but most importantly the 30,000 users can take advantage of both facilities. As the consultant commented "the traffic to a building is more important than traffic past a building".

Henke stated that there is approximately \$133,000 currently available in the park dedication reserve account and approximately \$62,000 is taken in annually in park dedication fees when properties are sub-divided. Hardwick commented that of the \$405,000 in the Library Fund, approximately \$335,000 is available in cash. Hardwick noted that some of the gifts are conditional on starting this year such as the Lions pledge since it is only in effect during the President's term.

Henke stated that the Subcommittee is proposing working with WSN on this project. George Riches has donated his time and efforts in assisting with the project and Kueppers Construction has also been involved at no cost to the City. This has resulted in no cost to the City to this point on architectural or engineering fees. Dean Eggena was thanked for involvement in the project to date and Jim Stevenson was thanked for keeping everyone up to date with artistic renderings.

Some of the visions after construction include use of the Center by those participating in the Senior Meal Program, book clubs, special programs utilizing the nature trail in conjunction with the library, story hours around the fireplace and expanding the use of speakers like Herb Suerth. Areas will be expanded for computer use for adults and visitors along with areas for laptops. This joint effort will result in a good fit for parents with children who participate in sports or other activities. Plans are being considered to work with the Regional Library System to arrange for the bookmobile to park at the Center allowing expanded usage of books.

Hardwick stated that the Committee has met with each of the Councilmembers individually and each one has given valuable input to the Committee.

Henke stated that the Committee is looking at WSN because they have been involved in the Nisswa Library and three schools and they would do detailed drawings/specs for the building. Each stage of construction will be reviewed by the architect and members of the Building Committee. Weekly meetings will be held on site with the WSN design team and the contractor. George Riches has agreed to help with these reviews and give advice on design. Henke stated that the purpose of this meeting is to review the project and to obtain approval to proceed with Phase I, which is the Preliminary Design and Estimate Phase at a cost of \$8,500. Phase II would cost \$22,800 and would include Final Design and Bidding and Phase III would cost \$12,000 and would include Construction Oversight for a total of \$43,300 for all three phases. Since these amounts are estimates, the Committee will come back to the Council for approval for each phase. An estimated schedule has been established which would begin with a meeting with the architect and design team in January and conclude with the completion of the building in November or December.

Councilmember Curtis commented that the Council did approve \$5,000 for preliminary design and Hardwick stated that was correct, but none of this money has been spent and could be used for Phase I which would decrease the cost to \$3,500 including the \$5,000 already approved by the Council. It was noted that the money was not used because George Riches and Kueppers Construction both donated their time.

Councilmember Phillips stated that this is a fantastic project and commended everyone for their efforts. Phillips asked what would be required to get out of the Kitchigami System and Hardwick stated that Crosby did remove themselves from the Regional System, but Pequot Lakes is still a member. Hardwick did not recommend removing Crosslake from the Regional System at this time, however. Phillips felt that would eliminate the tax burden to Crosslake residents. Henke commented that a recent newspaper article reported that 60% of the revenue to the Regional Library System comes from taxpayers in Crow Wing County yet the Regional System only has one library in the County. Another interesting point is that of the six independent libraries in the State, three are in Crow Wing County so that has to be telling the Regional Library System something.

Hardwick asked the Council if the concept looked good to them.

Councilmember Eggena stated that when he took office, the library was a very political issue. People wanted the library but didn't want to pay for it. The Library Committee has worked through the process democratically and worked out a difficult situation in a divided situation and today Eggena stated that he hears no complaints on the library. Now, the whole community is behind the Committee and this represents democracy at its best. I was opposed to what was proposed three years ago, but you've turned it around. I support you and would vote to add on to the Community Center and build the library. You need a commitment from the Council. Eggena thanked Alden Hardwick and the entire committee for their work.

Councilmember Swanson stated that he has been around since the Committee started and while it's been a tough road, this is a good proposal and supported getting it done. Swanson stated that he doesn't usually agree with Eggena, but on this he does. Swanson stated that he was on the Council when the Community Center was built and this will be a good asset for that building.

Councilmember Curtis commended Alden Hardwick and the Committee. He stated that last January when he took office he sat down with Alden and listened to what was being proposed. He stated that he supports what is being proposed and suggested moving forward. Curtis stated that his only concern is that the money is spent conservatively and frugally, so as much money goes into brick and mortar as possible. Curtis thanked the Committee for all their efforts.

MOTION 1S-01-06 WAS MADE BY DEAN EGGENA AND SECONDED BY DEAN SWANSON TO ACCEPT THE PROPOSAL FROM WSN NOT TO EXCEED \$43,300 FOR ALL PHASES WHICH IS LESS THAN 10% OF THE PROJECT COST PROVIDED THIS COST IS LOCKED IN FOR ALL THREE PHASES WITH THE APPROVED HOURLY FEE. MOTION CARRIED WITH ALL AYES.

Park Director Jon Henke thanked the Committee and the Merrill's for attending the meeting, after which a ten minute recess was taken.

At 10:00 A.M. the meeting resumed with six individuals remaining in attendance in the audience.

Community Development Director Ken Anderson commented that Jessica Eide was present representing Crosslake Winterfest. A letter to the Council requested permission to hang a banner across the street on County Road 66 in the vicinity of the Historical Society and the Corps of Engineers Campground was included in the packet. Anderson stated that Staff has reviewed the City Code as it pertains to the Sign Ordinance and recommends that the banner be considered under "Sign Standards," Chapter 8, Section 8.50, Subd. 2, D., 12. Holiday Decorations and be exempt from the Sign Ordinance. Staff recommended approval with ten conditions as noted in the Staff Report dated December 28, 2005 from Community Development Director Ken Anderson. It was noted that Crow Wing County Highway Engineer Duane Blanck has approved the request. MOTION 1S-02-06 WAS MADE BY TERRY CURTIS AND SECONDED BY DICK PHILLIPS TO APPROVE THE REQUEST FROM CROSSLAKE WINTERFEST TO HANG A BANNER ACROSS COUNTY ROAD 66 SUBJECT TO THE FIRST NINE RECOMMENDATIONS REFERENCED IN THE DECEMBER 28, 2005 MEMO TO THE CITY COUNCIL AND AUTHORIZING THE HANGING OF THIS BANNER AS AN ANNUAL EVENT. Councilmember Eggena stated that he didn't feel the Winterfest Committee would need to come back to the Council each year for approval as was recommended in Item #10. Community Development Director Anderson stated that there may be other requests such as the Chamber requesting a banner for St. Patrick's Day. City Administrator Swenson asked the Council if they would consider the Winterfest adding the City as an additional insured on their policy should the sign come loose or fall down in traffic and cause an incident. The Council stated they would not require this since any incident would be covered by the City's insurance.

Chief Bob Hartman requested Council approval on a Police Department Policy as it pertains to Criminal History Checks. The policy was reviewed with City Attorney Paul Sandelin. This policy will allow the Police Department to do criminal history checks through a system in the Department. Councilmember Curtis asked about doing checks for private organizations and Chief Hartman stated that it is not his intent to do any checks except for those required by the City. Private organizations can go through the Bureau of Criminal Apprehension (BCA) if needed. MOTION 1S-03-06 WAS MADE BY DEAN SWANSON AND SECONDED BY TERRY CURTIS TO APPROVE THE CRIMINAL HISTORY BACKGROUND INVESTIGATION POLICY AS PRESENTED. MOTION CARRIED WITH ALL AYES.

A copy of the employment ad for the General Manager position was included in the packet for Council information. Councilmember Curtis asked why the salary was listed in the ad and City Administrator Swenson stated that he and Councilmember Phillips discussed this and they don't want individuals who can't accept a salary in this range to apply. The job description for the position of General Manager was reviewed and approval of this description was requested. MOTION 1S-04-06 WAS MADE BY JAY ANDOLSHEK AND SECONDED BY DICK PHILLIPS TO APPROVE THE JOB

DESCRIPTION FOR THE GENERAL MANAGER. Councilmember Eggena stated that he has a problem with the statement "performs other work as directed by the City Administrator and City Council". Eggena stated that State Statute spells out that the City Council will run the telephone company and there is special legislation for the three companies owned by cities. Eggena stated that the Council can appoint a manager, but he doesn't see where we put the Administrator in between the General Manager and the City Council. Eggena stated that even a City Manager position wouldn't have a phone company manager reporting to him. Councilmember Swanson stated that our telephone company is set up differently than Barnesville. Councilmember Curtis stated that our form of government has a City Council which has elected to hire a City Administrator to run the operations and what you have them do is up to the Council. Curtis stated that a City Manager has to be approved by referendum and the Council can't give direction so, in his mind, to keep things democratic, the City Administrator seems to make the most sense. Curtis asked if the telephone company falls under the City as a department or is it a separate entity. Councilmember Eggena stated that he disagreed with Curtis. Eggena stated that under State Statute it's a financial responsibility only, administration of bonds, bills and etc. Eggena stated that in the separate legislation written for telephone company's, he doesn't see anything where it allows the Council to give away duties. Councilmember Swanson commented that the Statute doesn't say we can't delegate duties as an intermediary. Eggena disagreed stating that the Statute says, the Council will....so you can't appoint someone else to accept the responsibility. Discussion ensued regarding Tom Swenson's responsibilities. Former Mayor Darrell Swanson, addressed the Council and stated that the Council can delegate day to day responsibilities, but the final responsibility lies with the City Council. Councilmember Curtis stated that Tom Swenson needs to be aware of what is going on and the City Administrator needs to be involved. Councilmember Eggena stated that the Council needs Tom Swenson for bonding information but if something is wrong, I want to know about it. City Administrator Swenson asked the Council if the Supervision Received section under Description of Work needed changing where it states "Work under the administrative oversight of the City Administrator". Councilmember's Curtis, Eggena and Phillips thought what was stated was okay. Eggena stated that he views Tom similar to a Chief Financial Officer and he wants Tom Swenson looking at the phone company budget. Swenson asked what happens if you take away the Administrators supervision and something goes wrong? Councilmember Eggena stated that when it comes to financial matters, he wants Tom involved, but he doesn't want him involved in the day-to-day operations. Eggena further stated that Tom Swenson and Darlene Roach have caught so many things in the years he's been here, but the General Manager should have the responsibility for the day-to-day operations and report directly to the City Council. City Administrator Swenson expressed concern with having financial responsibility for the Company but not being involved in the day-to-day operations. MOTION AMENDED BY JAY ANDOLSHEK AND SECONDED BY DICK PHILLIPS TO CHANGE THE WORDING UNDER SUPERVISION RECEIVED TO READ "WORKS UNDER THE ADMINISTRATIVE OVERSIGHT OF THE CITY ADMINISTRATOR AND REPORTS DIRECTLY TO THE CITY COUNCIL" AND THE GENERAL MANAGER WILL FURNISH THE CITY ADMINISTRATOR WITH ALL FINANCIAL INFORMATION RELATED TO TELEPHONE COMPANY OPERATIONS AND TO ADD "FROM CITY ADMINISTRATOR AND CITY COUNCIL" TO THE SEVENTH ITEM LISTED IN THE JOB DESCRIPTION UNDER TYPICAL DUTIES ASSIGNED. MOTION CARRIED WITH ALL AYES.

Discussion was held regarding the City's participation in the County Waste Water Management District. Councilmember Eggena stated that in the absence of County Commissioner Ed Larsen to explain the program, he has a few items to discuss. Eggena stated that it is his understanding that if the City joins the program, each property tax statement in the City will be charged a \$25 fee. City Administrator Swenson stated that was not his understanding since the County received a grant to fund the program at least during the start up operation. Councilmember Eggena stated that for future years, with 5000 parcels, the City would be contributing \$125,000 to this district and questioned whether this is reasonable or can we do it cheaper. Eggena stated that eventually septic permits would be handled by the district which will have a revenue loss in the City and could result in a reduction of staff. City Administrator Swenson stated that it is his understanding that the City would have the opportunity to opt out if they so choose and that it is only those parcels that have a septic system that would be charged the \$25 fee. Councilmember Curtis stated that he went to the meeting that was held with the Thirty Lakes Watershed District and this program is not an aggressive management plan like the one in Ottertail County and we would still issue permits locally. The District would only be collecting data and not doing the permitting or pumping. Darrell Swanson, of Dream Island Road, addressed the Council as a member of the Thirty Lakes Watershed District. Swanson stated that this is a pilot program set up to identify all systems in the project, which is expected to take up to two years. Swanson stated that the Statute gives the County the authority to inspect systems and correct failures but it is up to the Board to come up with rules and regulations. Besides identifying the systems, land needs to be identified for dumping sewage and the County is looking at land that is owned by the County and tax forfeit land. Councilmember Eggena stated that down the road, each community could vary requirements if they do their own permitting and feels the control will be done as a district and not as a city. Councilmember Phillips stated that at this point, he doesn't see that we have a choice and suggested joining in and get in on the learning curve. Councilmember Curtis agreed since the City will have a representative on the Board to keep the Council informed. Mayor Andolshek agreed that the City should get in on the ground floor. City Administrator Swenson stated that Commissioner Larsen is looking for approval of a Joint Powers Agreement and appointment of a representative. MOTION 01S-05-06 WAS MADE BY DEAN EGGENA AND SECONDED BY TERRY CURTIS TO JOIN THE WASTEWATER DISTRICT BEING FORMED IN CROW WING COUNTY AS SOON AS A JOINT POWERS AGREEMENT CAN BE PROVIDED. MOTION CARRIED WITH ALL AYES. Councilmember Eggena asked if anyone on the Council would want to serve on the board. Eggena declined stating that he doesn't have the time. Councilmember Swanson stated that he would be interested since he has an interest in clean water. MOTION 01S-06-06 WAS MADE BY DEAN EGGENA AND SECONDED BY DICK PHILLIPS TO NOMINATE DEAN SWANSON TO THE SANITARY BOARD SEWER DISTRICT AS THE CITY'S REPRESENTATIVE. MOTION CARRIED WITH ALL AYES. City Administrator Swenson stated that he would write a letter to Commissioner Larsen informing him of the Council's intent and request a Joint Powers Agreement. Samples of agreements were included in the packet for information, but the County will prepare an agreement applicable to the Crow Wing County District.

Council approval was requested on bills for payment. MOTION 01S-07-06 WAS MADE BY DEAN SWANSON AND SECONDED BY DEAN EGGENA TO

APPROVE THE BILLS FOR APPROVAL AS SUBMITTED IN THE AMOUNT OF \$895,585. MOTION CARRIED WITH ALL AYES.

MOTION 01S-08-06 WAS MADE BY TERRY CURTIS AND SECONDED BY DEAN EGGENA TO ADJOURN THIS SPECIAL COUNCIL MEETING AT 11:15 A.M. MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,

A handwritten signature in cursive script that reads "Darlene J. Roach". The signature is written in black ink and is positioned above the printed name and title.

Darlene J. Roach
Clerk/Treasurer

SPECIAL COUNCIL MTG – January 3, 2006.doc

BILLS FOR APPROVAL
3-Jan-06

| VENDOR | DEPT | AMOUNT |
|---|-------------|-------------------|
| Bond Trust Services, go bond series 2004a | Gov't | 107,788.75 |
| City of Crosslake, sewer utilities | PW/Gov't | 120.00 |
| Driver & Vehicle Services, 2006 tabs | ALL | 185.00 |
| First National Bank of Deerwood, sewer revenue bond | Sewer | 106,092.50 |
| John Deere Credit, mower payment | P&R | 6,185.96 |
| Lakewood Bank, go bond series 1999a | Gov't | 138,307.50 |
| MN Chiefs of Police Assn, 2006 membership dues | Police | 80.00 |
| MN Department of Health, 2006 mobile food license | P&R | 235.00 |
| MN Recreation & Park Assn, 2006 membership renewal | P&R | 200.00 |
| Northern National Bank, wilderness trail rd improvement | Gov't | 14,492.85 |
| MN Rural Water Assn, 2006 membership dues | Sewer | 195.00 |
| The Brehm Group, personal accident policy | Gov't | 382.50 |
| Old National Bank, 2005 fire truck payment | Fire | 16,341.93 |
| US Bank, go bond series 2001a | Gov't | 69,240.00 |
| US Bank, go bond series 1999b | Gov't | 15,090.00 |
| US Bank, go bond series 2002 | Gov't | 101,418.75 |
| US Bank, disposal system bond series 2003a | Sewer | 148,006.25 |
| US Bank, mn public facility lease bond series 2003a | PW | 158,933.75 |
| Ziegler Financial Corp, grader payment | PW | 12,289.26 |
| | | |
| TOTAL | | 895,585.00 |