

REGULAR COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, JANUARY 10, 2005
7:00 P.M. – CITY HALL

The Council for the City of Crosslake met in the Council Chambers of City Hall on Monday, January 10, 2005 at 7:00 P.M. The following Councilmembers were present: Mayor Jay Andolshek, Dick Phillips, Terry Curtis, Dean Eggena and Dean Swanson. Also present were City Administrator Tom Swenson, City Attorney Paul Sandelin, City Engineer Dave Reese, Police Chief Bob Hartman, Public Works Director Ted Strand, General Manager Dennis Leaser, Park and Recreation Director Jon Henke, Community Development Director Ken Anderson, Deputy Clerk Charlene Nelson and Lake Country Echo Reporter Betty Ryan. There were approximately thirty-five individuals in the audience not including Staff.

A. CALL TO ORDER – Mayor Andolshek called the meeting to order at 7:00 P.M. A motion to accept the additions to the Agenda was requested. MOTION 1R-01-05 WAS MADE BY DEAN EGGENA, SECONDED BY DEAN SWANSON TO APPROVE THE ADDITIONS TO THE AGENDA AS PRESENTED. MOTION CARRIED WITH ALL AYES.

B. CRITICAL ISSUES – Lynn Scharenbroich and Linda Ulland of the Paul Bunyan Scenic Byway Association appeared before the Council to give an update on the project. Ms. Scharenbroich passed out information to the Council regarding various topics on what the association has accomplished in the past year and future goals. Ms. Scharenbroich announced that the Paul Bunyan Scenic Byways and the U.S. Army Corps of Engineers entered into an official Cooperative Agreement on November 3, 2004. This allows the Byways to be a non-profit Cooperating Association and enables them to help the Corps provide the public with additional visitor experiences, activities and interpretive products. Ms. Scharenbroich also announced that the Paul Bunyan Scenic Byways also signed a lease with the Corps for space to be used as an office located at the Main Office building. Several grant requests are in progress for projects including: a Bog Walk at the Veterans Hiking Trail on County Road 16 and a mailboat route re-creation. Ms. Scharenbroich also stated that the City of Jenkins just celebrated its centennial and the Paul Bunyan Scenic Byways held a cribbage tournament at the celebration and the paving was completed on the shoulder of County Road 11 before school began in September 2004.

Linda Ulland informed the Council that the development of tour brochures is in the works and she hopes that it will be available for distribution in a year. Ms. Ulland added that the 2nd edition of the Scenic Byway tear-off maps is now available. The Byway is also developing Interpretive Centers and hopes to have one near Moonlite Bay. This center would tell the story of the fierce Indian battle between the Dakota and Ojibwe Indians that took place in 1801 on the strip of

land separating Cross and Rush lakes. A quiz was also included in the packet of information that Linda Scharenbroich handed out to the Councilmembers. If the Council answers all the questions correctly and mails the quiz to the Byway, the Byway will write about the City of Crosslake in their next newsletter.

C. ORGANIZATIONAL MEETING APPOINTMENTS –

1. Appoint Acting Mayor – MOTION 01R-02-05 WAS MADE BY MAYOR ANDOLSHEK AND AFTER A LONG PERIOD OF SILENCE, SECONDED BY DEAN SWANSON TO APPOINT DEAN SWANSON AS ACTING MAYOR. Councilmember Curtis stated that he was happy to see in the additions to the agenda that there was a copy of MN State Statute 412.121 which reads that “the council shall choose an acting mayor from the council members”. Curtis added that the word “appoint” that was on the agenda troubled him. MOTION FAILED WITH COUNCILMEMBERS DICK PHILLIPS, TERRY CURTIS AND DEAN EGGENA VOTING NAY AND MAYOR ANDOLSHEK AND DEAN SWANSON VOTING AYE. Dick Phillips stated that the reason he voted nay was because when he reviewed all of the proposed appointments, he felt there was no consistency. Phillips suggested that another meeting date be set to discuss the appointments at length. MOTION 01R-03-05 WAS MADE BY DICK PHILLIPS TO TABLE ALL OF THE ORGANIZATIONAL APPOINTMENTS AND TO DISCUSS THE APPOINTMENTS AT A FUTURE SPECIAL MEETING. Dean Eggena stated that the State Statute mandates that the Acting Mayor be appointed at the first regular meeting of the council, which would be tonight. Attorney Sandelin stated that the appointment does need to be made tonight; however, it could be a temporary appointment. THE MOTION WAS SECONDED BY DEAN EGGENA AND AMENDED THE MOTION TO TABLE ALL THE APPOINTMENTS EXCEPT FOR THE ACTING MAYOR APPOINTMENT. Terry Curtis questioned how Dean Swanson’s name came to be recommended as Acting Mayor and stated he thought that there would be nominations made and a vote cast. Dean Swanson replied that in all the years he has been involved with the City, the Council, as a courtesy to the Mayor, has always agreed with Mayor’s choice. Terry Curtis replied that he thinks there should be a discussion. Attorney Sandelin informed the Council that items 1. Appoint Acting Mayor, 2. Approve Official Depositories, 3. Approve Signatories on City Checking and Savings Accounts, 4. Approve Signatories on Utilities Checking and Savings Accounts and 8. Approve Official Newspaper, needed to be decided tonight. Dean Eggena stated that after being on the Council for two years, he questions the purpose of the Committees and Commissions. Eggena is troubled that he is not allowed to attend all of the meetings because there cannot be a quorum of Council members in attendance unless it is posted as such. Eggena added that he does not feel that the minutes that come to the Council from the Commissions/Committees are always correct and that the whole structure

needs to be looked at. Dean Swanson stated that this is history repeating itself because a prior mayor had once before terminated all of the commissions and committees. Swanson stated that the volunteers on the commissions and committees only make recommendations to the Council and that only Planning and Zoning has decision making authority. Terry Curtis stated that he has only had the packet for 72 hours and that did not give him enough time to make a decision. MOTION CARRIED WITH DICK PHILLIPS, TERRY CURTIS AND DEAN EGGENA VOTING AYE AND MAYOR ANDOLSHEK AND DEAN SWANSON VOTING NAY. Tom Swenson asked if Staff and Commission members should be in attendance. Dick Phillips replied that only the Council needs to attend the work session to discuss appointments and that the meeting be held on Friday, January 14, 2005 at 2:00 P.M. in the Council Chambers. Tom Swenson asked for clarification on what type of meeting it was to be. He stated that if it is a work session, then no action can be taken. It was the consensus of the Council that it would be a Special Council meeting. MOTION 01R-04-05 WAS MADE BY DEAN EGGENA, SECONDED BY TERRY CURTIS TO APPOINT DICK PHILLIPS AS ACTING MAYOR. MOTION CARRIED WITH MAYOR ANDOLSHEK, TERRY CURTIS, DEAN EGGENA AND DICK PHILLIPS VOTING AYE AND DEAN SWANSON VOTING NAY.

2. Approve Official Depositories – MOTION 01R-05-05 WAS MADE BY DEAN EGGENA, SECONDED BY DICK PHILLIPS TO APPROVE THE OFFICIAL DEPOSITORIES AS FOLLOWS: NORTHERN NATIONAL BANK, LAKEWOOD BANK, DEERWOOD BANK, LAKES STATE BANK, 4M FUND, FIRST FEDERAL SAVINGS BANK AND MERRILL LYNCH. MOTION CARRIED WITH ALL AYES.
3. Approve Signatories on City Checking and Savings Accounts – MOTION 01R-06-05 WAS MADE BY DEAN EGGENA, SECONDED BY DICK PHILLIPS TO APPROVE THE SIGNATORIES ON THE CITY CHECKING AND SAVINGS ACCOUNTS AS FOLLOWS: MAYOR, ACTING MAYOR, CITY ADMINISTRATOR AND CLERK/TREASURER. MOTION CARRIED WITH ALL AYES.
4. Approve Signatories on Utilities Checking and Savings Account – MOTION 01R-07-05 WAS MADE BY DICK PHILLIPS, SECONDED BY DEAN EGGENA TO APPROVE THE SIGNATORIES ON THE UTILITIES CHECKING AND SAVINGS ACCOUNTS AS FOLLOWS: MAYOR, ACTING MAYOR, CITY ADMINISTRATOR, GENERAL MANAGER AND CLERK/TREASURER. MOTION CARRIED WITH ALL AYES.
5. Approve Appointment of City Engineer – MOTION 01R-08-05 WAS MADE BY DEAN SWANSON, SECONDED BY TERRY CURTIS TO APPOINT WIDSETH SMITH NOLTING AS CITY ENGINEER. Dick Phillips asked if there was a copy of WSN's new rates. Dave Reese replied that he did not have anything in writing, but that their rates have

increased with the annual rate of inflation. Dick Phillips stated that he would like to see their rates before the appointment. DEAN SWANSON WITHDREW HIS MOTION AND TABLED ACTION UNTIL THE SPECIAL COUNCIL MEETING ON FRIDAY, JANUARY 14, 2005.

6. Approve Appointments of Attorney – MOTION 01R-09-05 WAS MADE BY DEAN EGGENA, SECONDED BY DEAN SWANSON TO APPOINT SANDELIN LAW OFFICE AS COUNSEL ON CITY CIVIL MATTERS AND TO APPOINT STEVEN FECKER AS COUNSEL ON CITY LABOR ISSUES. MOTION CARRIED WITH ALL AYES.
7. Approve Schedule of Regular Council Meetings – MOTION 01R-10-05 WAS MADE BY DICK PHILLIPS, SECONDED BY DEAN SWANSON TO APPROVE THE SCHEDULE OF REGULAR COUNCIL MEETINGS ON THE 2ND MONDAY OF THE MONTH AT 7:00 P.M. MOTION CARRIED WITH ALL AYES.
8. Approve Official Newspaper – Dean Eggena stated that he would like to have a discussion regarding the official newspaper before a motion was made. Mr. Eggena stated that he would like the Brainerd Dispatch to be the City's official newspaper because it is a daily paper and notices could be published quicker. Dean Swanson stated that one year the City had both the Lake Country Echo and the Brainerd Dispatch as official newspapers. Betty Ryan stated that many surrounding cities use both papers for their official newspapers. Terry Curtis stated that the Lake Country Echo only has 496 subscribers from Crosslake and that this paper may not be the best way to reach the people. MOTION 01R-11-05 WAS MADE BY DEAN EGGENA TO APPROVE BOTH THE BRAINERD DISPATCH AND THE LAKE COUNTRY ECHO AS THE CITY'S OFFICIAL NEWSPAPERS. Dick Phillips questioned the necessity of two papers and how it would affect the cost. A lengthy discussion ensued regarding the best way to notify citizens of upcoming meetings. Tom Swenson stated that the citizens are used to looking at the Echo for meeting notices. Dick Phillips stated that he is not in favor of having two official newspapers. Dean Eggena pointed out that the Special Meeting that was just set for Friday, January 14, 2005 would not be published in the paper because the publishing deadline for that week was already past, but that it could be in the morning edition of the Brainerd Dispatch. TERRY CURTIS SECONDED THE MOTION. MOTION FAILED WITH MAYOR ANDOLSHEK, DEAN SWANSON AND DICK PHILLIPS VOTING NAY AND DEAN EGGENA AND TERRY CURTIS VOTING AYE.

MOTION 01R-12-05 WAS MADE BY DEAN SWANSON, SECONDED BY DICK PHILLIPS TO APPROVE LAKE COUNTRY ECHO AS THE CITY'S OFFICIAL NEWSPAPER. MOTION CARRIED WITH MAYOR ANDOLSHEK, DEAN SWANSON, DICK PHILLIPS AND TERRY CURTIS VOTING AYE AND DEAN EGGENA VOTING NAY.

9. Approve 2005 Mileage Reimbursement Rate – MOTION 01R-13-05 WAS MADE BY DEAN SWANSON, SECONDED BY DICK PHILLIPS TO APPROVE THE 2005 MILEAGE REIMBURSEMENT RATE AT THE IRS RATE (CURRENTLY 40.5 CENTS A MILE) FOR ALL BUSINESS MILES DRIVEN. MOTION CARRIED WITH ALL AYES.
10. Approve Weed Inspector – MOTION 01R-14-05 WAS MADE BY DICK PHILLIPS, SECONDED BY DEAN SWANSON TO APPOINT MAYOR ANDOLSHEK AS THE WEED INSPECTOR. MOTION CARRIED WITH ALL AYES.
11. Approve Assistant Weed Inspector – MOTION 01R-15-05 WAS MADE BY MAYOR ANDOLSHEK, SECONDED BY DEAN SWANSON TO APPOINT TED STRAND AS THE ASSISTANT WEED INSPECTOR. MOTION CARRIED WITH ALL AYES.
12. A memo from Mayor Andolshek regarding City Council Appointments for 2005 was included in the packet and as decided earlier in the meeting, this item was tabled until Friday, January 14, 2005.
13. Included in the packet for Council information was the City of Crosslake Organizational Chart.

D. CONSENT CALENDAR – MOTION 01R-16-05 WAS MADE BY DICK PHILLIPS, SECONDED BY DEAN SWANSON TO APPROVE THE FOLLOWING ITEMS LISTED ON THE CONSENT CALENDAR: (1.) CROSSLAKE COMMUNICATIONS TELEPHONE AND CABLEVISION COMPANY STATISTICAL REPORT DATED NOVEMBER 30, 2004; (2.) CITY MONTH END REVENUE REPORT DATED NOVEMBER 30, 2004; AND (3.) CITY MONTH END EXPENDITURE REPORT DATED NOVEMBER 30, 2004. MOTION CARRIED WITH ALL AYES.

E. PUBLIC FORUM –

1. Allen Eliason of 35424 Maroda Drive appeared before the Council and read a letter of support for the Library from 35 taxpayers in Crosslake. Mr. Eliason stated that he is not a spokesman for the library, but wanted to share this information. A copy of the letter was available for each Councilmember. Mr. Eliason also read a letter of support from the Homestead Cooperative that was included in the Council's packets.
2. Dick Dietz of Crosslake appeared before the Council and congratulated the Mayor on his new position. Mr. Dietz commented that he appreciates the Council deciding on the City only having one official newspaper. Mr. Dietz suggested that not only the Regular Council Meetings, but also all of the Special Council Meetings be televised on Crosslake cable channel 12. He added that the contents of the Special Meetings are usually of great importance. Mr. Dietz feels that Councilmembers speak differently when they know the meeting is being televised. Mayor Andolshek stated that because this matter was not on the agenda, the Council could not take any action now. Terry Curtis questioned if Mr. Dietz was implying that past Councils have held secret meetings. Mr. Dietz said his statement would stand as he stated it.

3. Sarah Dagg appeared before the Council and asked how many people in the audience were in favor of the library. Approximately $\frac{3}{4}$ of the audience raised their hands. Mayor Andolshek stated that this was not allowed.
4. Ray Midlo appeared before the Council and recommended that the Council change the day of the Regular Council meetings to Tuesdays, because there are such good television shows on Monday nights.

F. MAYOR'S REPORT –

Mayor Andolshek announced that several leadership conferences for new officials were being held this month. If any of the Councilmembers were interested, they could see Tom Swenson for details.

G. CITY ADMINISTRATOR'S REPORT –

1. Bills for Approval – MOTION 01R-17-05 WAS MADE BY DEAN EGGENA, SECONDED BY DICK PHILLIPS TO APPROVE THE BILLS FOR PAYMENT AS SUBMITTED IN THE AMOUNT OF \$673,874.60, TO APPROVE THE DECEMBER BILLS PAID IN JANUARY AS SUBMITTED IN THE AMOUNT OF \$28,459.10 AND TO APPROVE THE ADDITIONAL BILLS FOR APPROVAL AS SUBMITTED IN THE AMOUNT OF \$16,069.44. Dick Phillips questioned what the bill to John Deere was for. Jon Henke replied that the Council had approved a new tractor for the Park and Recreation Department in the 2004 budget and this was the first payment. Dean Eggena questioned the salt and sand bill from the Crow Wing County Highway Department. Ted Strand replied that the County is charging the City \$24.77 per yard for salt/sand and this is the amount of salt/sand that the City has used so far from Fall 2004 to the end of the year, which is more than Public Works has ever used. Mr. Strand added that the usual cost for an entire winter season is about \$4,000 and that for this season, he would need to continue working with the County because there is no salt left in the state now to mix his own. MOTION CARRIED WITH ALL AYES.
2. A letter dated December 13, 2004 from the League of MN Cities Insurance Trust regarding 2004 LMCIT Property and Casualty Dividend, including calculations and outlook was included for Council information.
3. Lakes State Bank Pledge Update dated December 2004 was included for Council Information.
4. Lakewood Bank Pledge Update dated December 2004 was included for Council Information.
5. Northern National Bank Pledge Update dated December 2004 was included for Council Information.
6. A letter dated December 21, 2004 from Olsen Thielen regarding cafeteria plan amendments. MOTION 01R-18-05 WAS MADE BY DICK PHILLIPS, SECONDED BY DEAN EGGENA TO ADOPT RESOLUTION 05-01 AMENDING THE CAFETERIA PLAN EFFECTIVE JANUARY 1, 2005 AND THAT THE CITY ADMINISTRATOR HAS AUTHORITY TO SIGN

RESOLUTION AS "PRINCIPAL". MOTION CARRIED WITH ALL AYES.

H. COMMISSION REPORTS –

1. RECYCLING –

- a. Doug Morris of the Crow Wing County Solid Waste Department appeared before the Council to review the Recycling Program. Mr. Morris presented the City with two copies of the Crow Wing County Solid Waste Department 2003 Recycling Report dated March 30, 2004 to keep as information in City Hall. A lengthy discussion ensued regarding the County's and State's rolls in the recycling program. Dick Phillips commented that many people would like the City to accept plastic. Mr. Morris explained that it is hard to predict if plastic recycling is going to be profitable or not. Last year it was difficult to find someone to buy it and this year it has been in demand. Mr. Morris suggested that Phillips check with the local hauler to find out if they will start accepting plastic at the recycling center.
- b. The December 2004 Recycling Report was included in the packet for Council information.
- c. A letter dated December 28, 2004 from Doug Morris regarding the End of Year Recycling Update was included in the packet for Council Information.

2. LIBRARY –

- a. Alden Hardwick appeared before the Council and informed them that the Library Committee Members recently took a tour of the Pequot Lakes Library. The Committee was very impressed with what they saw in Pequot Lakes. The library was very attractive with nice fixtures, new carpeting, metal book shelves, computers on new computer tables, a mural on the wall in the children's section, local art work displayed, etc. There is a good selection of books, almost all donated. Pequot Lakes has a lot of book clubs in their town and those clubs donate the books when they are done. Crosslake is ready to accept book collection donations. Mr. Hardwick suggested using the small house at the Community Center to work on inventory. After their visit to Pequot Lakes, the Library Committee is willing to lower its goals from a 5000 square foot building to something smaller. The Pequot Lakes Library is only 1800 square feet. The Committee would like to put together a proposal and bring it back to the Council in the Spring. Mr. Hardwick noted that approximately 150 people and 3 librarians from the community have volunteered to help.

Dean Swanson stated that he too has visited the Pequot Lakes Library and that it is very respectful. He urged the Committee to put a proposal together. Mayor Andolshek stated that he was impressed with the Pequot Lakes Library, adding that it was 1st class looking and had many

volunteers. Terry Curtis stated that the Pequot Lakes Library is an excellent example of what a group of private citizens can do and that they didn't let government stand in their way. Dean Eggena stated that he has had major opposition to the library because he did not want the City to spend a million dollars on the project. But if the Library Committee wanted to pursue the project on their own, he would be in favor of it. Dick Phillips asked if Mr. Eggena wanted the Library to be separated from the City and Mr. Eggena replied he did. Sandy Eliason, co-chair of the Library Committee, appeared before the Council and stated that the Pequot Lakes Library is not entirely separated from the City because the library is in the Pequot Lakes City Hall. Ms. Eliason requested the Council to support the Library Committee because a city-oriented committee usually receives more donations. She asked them not to disband the Committee. Ms. Eliason reminded the Council that the Committee has never asked the City to build the million-dollar building – they always planned on raising the money for that. Ms. Eliason stated that there was a bonding bill at the State, and with the City's approval, the Library Committee would be eligible for a grant. A discussion ensued regarding the different types of funds, whether they needed to be matched or not. MOTION 01R-19-05 WAS MADE BY DEAN SWANSON, SECONDED BY JAY ANDOLSHEK TO ALLOW THE LIBRARY COMMITTEE TO PUT A REQUEST IN TO MARIAN RIDGE OF THE KITCHIGAMI REGIONAL LIBRARY SYSTEM THAT THE CITY WOULD LIKE TO BE CONSIDERED FOR A STATE GRANT. Alden Hardwick suggested that the motion could include language that no City funds would be used to match the grant, if the other Councilmembers preferred. Dick Phillips stated that the Council needed to decide to separate the Library Committee from the City because it is not in the City's best interest to continue on. Ken Anderson suggested that the City let the Committee request being included in the bonding bill, then the Council could discuss it further and could decide at any time to withdraw its funding request. THE MOTION FAILED WITH MAYOR ANDOLSHEK AND DEAN SWANSON VOTING AYE AND DICK PHILLIPS, TERRY CURTIS AND DEAN EGGENA VOTING NAY.

3. PUBLIC WORKS / CEMTERY / SEWER –

- a. Public Works Commission Meeting Minutes of November 15, 2004 were included in the packet for Council information.
- b. A memo dated December 21, 2004 from the Public Works Commission regarding commission appointments and oversight of the Sewer Department was included in the packet for Council information. No action was required.
- c. Included in the packet was a memo dated December 21, 2004 from the Public Works Commission regarding a recommendation for right of ways and a driveway entrance for Ace Hardware. Tom Swenson stated that the Commission met for over two hours to discuss establishing a standard

Right of Way and urban road standards. Representatives from both Crow Wing Power and Crosslake Communications were in attendance to inform the Commission of the needs of the utility companies for adequate space within Right of Ways. Dave Reese added that it is the trend to increase the Right of Way from 66 feet to 80 feet because it is too costly to go back later and try to get more land. Mayor Andolshek added that larger equipment needs more room such as fire trucks, plows and garbage trucks. Dean Eggena urged that the Council make a decision on the size of the right of way so that the developer of Bald Eagle Pass could move forward with his project. MOTION 01R-20-05 WAS MADE BY DEAN EGGENA, SECONDED BY DICK PHILLIPS TO RETAIN THE CURRENT STANDARD THAT FUTURE CITY RIGHT OF WAYS BE ESTABLISHED AT NOT LESS THAN 66 FEET WITH A 10-FOOT DRAINAGE AND UTILITY EASEMENT GRANTED ON BOTH SIDES OF THE RIGHT OF WAY. Dean Eggena noted that the discussion of changing the right of way size was addressed by the developer of Bald Eagle Pass, so that he would not lose so much land in his development. Terry Curtis questioned if that means the right of way size will become 86 feet. It was clarified that there will be no change to the current standard that the City has today of 66-foot right of ways. MOTION CARRIED WITH ALL AYES.

MOTION 01R-21-05 WAS MADE BY DEAN EGGENA, SECONDED BY DEAN SWANSON TO DIRECT ATTORNEY PAUL SANDELIN TO DRAFT AN ORDINANCE AMENDMENT TO READ THAT THERE WILL BE A 10-FOOT EASEMENT ON EITHER SIDE OF THE 66-FOOT RIGHT OF WAY ON FUTURE ROADS IN THE CITY OF CROSSLAKE. MOTION CARRIED WITH ALL AYES.

The Public Works Commission also reviewed the request from Ace Hardware to have two curb cuts on Pioneer Drive near the intersection of County Road 3. The Commission reviewed State Aid road design standards dealing with recommended clearance from major streets. Also reviewed were the number of curb cuts already on the east and west sides of Pioneer Drive and how they would impact future traffic and safety. It was the recommendation of the Commission that one additional curb cut be allowed from the Ace Hardware property onto Pioneer Drive and that said curb cut be not less than 60 feet from the C.S.A.H. 3 Right of Way or closer than 30 feet from the existing curb cut based upon State Aid standards. Dean Eggena questioned why this matter came to the Council since Pioneer Drive is not a public road and the City does not have jurisdiction over it. Bill Reed, owner of Pioneer Drive, appeared before the Council and stated that he sent a letter to the City requesting the City give an opinion on the curb cut request, because he wants the road to meet City standards in the future so the road can be turned over to the City when it is finished. Dean Eggena questioned why the City has not taken

over the road yet. Mr. Reed replied that he does not know why the City has not taken over the road. Tom Swenson replied that the City does not accept roads until they are complete. Dean Eggena argued that the City Code requires the City to take over any road that meets City standards, even if is a partial road. MOTION 01R-22-05 WAS MADE BY DEAN EGGENA, SECONDED BY TERRY CURTIS TO DIRECT CITY ENGINEER DAVE REESE TO EVALUATE PIONEER DRIVE FROM C.S.A.H. 3 TO THE END OF THE PAVEMENT TO SEE IF IT MEETS CITY STANDARDS. A discussion ensued regarding whether or not the City would want to accept a partial section of road to maintain or accept the entire road when it is completed. Dean Swanson noted that the road was not completed earlier because Mr. Reed was waiting for the municipal sewer and storm sewer projects to be completed. It was always the understanding that the City would take over the road when it was complete. Bill Reed stated that until the City accepts the road, he will not allow Ace Hardware to make any improvements. Dick Phillips stated that he does not think the City should accept half of the road and should wait until the entire road project is complete. Terry Curtis stated he was concerned that the Public Works Commission even discussed this matter because Pioneer Drive is a private road. Mayor Andolshek asked Bill Reed if he intends on finishing the road, even if the City accepts half of the road at this time. Bill Reed stated he does plan on finishing the road before the end of 2005. Dean Swanson noted that there will be extra costs to have two sets of road plans made. Dean Eggena stated that the extra cost will be incurred by Bill Reed. Terry Curtis stated that if the owner of the road wants the City to take over Pioneer Drive, the City should take it over. Bill Reed replied that he is only in front of the Council on behalf of Ace Hardware and that he would be happy to wait until the end of the year to turn the whole road over at one time. MOTION CARRIED WITH ALL AYES.

- d. A letter dated January 6, 2005 from Crosslake Communications regarding Right of Way and Utility Easements was included in the packet for Council information.
- e. A letter dated January 6, 2005 from Crow Wing Power regarding Right of Way and Utility Easements was included in the packet for Council information.
- f. A letter dated December 28, 2004 from WSN regarding Engineering recap for 2004 was included in the packet for Council information.
- g. A letter dated December 22, 2004 from WSN to Crow Wing County Highway Department regarding Greer lake Road was included in the packet for Council information.
- h. A letter dated December 27, 2004 from Crow Wing County Highway Department to WSN regarding Greer Lake Road was included in the packet for Council information. Dean Eggena questioned if this road project would be completed this summer. Dave Reese replied that they are hoping to go out for bids this Spring. Dean Eggena asked if Tom

Swenson could be instructed to contact Breezy Point to look at the Fawn Lake Road project. Mr. Swenson replied that Duane Blanck could possibly meet with the four jurisdictions again. Dean Eggena added that Breezy Point backed out of the project last time, but perhaps their new Council would be more interested in finishing Fawn Lake Road.

- i. Sewer Committee Meeting Minutes of November 17, 2004 were included in the packet for Council information.
- j.1. A copy of a fax from WSN to Department of Health including sketches showing distances between private wells and sewer mains was included in the packet for Council information.
- j.2. Draft Copy of Letter to Affected Property Owners – A discussion ensued regarding the relocation of wells and the signing of stipulation agreements required by the Department of Health to meet the separation distances between wells and sewer lines. Eight wells in the Phase 1 Area are still too close to the sewer lines. When the sewer project first began, the Department of Health said that they would grant the City variances for these affected properties. There was a misunderstanding between the Department of Health and WSN as to when the variances needed to be applied for. The Department of Health's position has now changed and these properties are in violation. A draft letter to the affected property owners was included in the packet. Dick Phillips questioned at whose expense would the wells be relocated. Dave Reese replied that the City has contingency money set aside for this type of problem. Dean Eggena stated that the letter should state that the relocating will be done at the City's expense. Mr. Eggena added that the City is lucky that only two properties may need this done. Tom Swenson replied that if the letter states that it will be done at the City's expense, there could potentially be eight properties that will want their well relocated, even if it is not necessary. Dean Eggena stated that it would be deceitful not to tell them that the City will pay for it. Tom Swenson agreed that property owners should be told that the City would pay relocation costs, but wanted the Council to understand the potential that the City could be relocating all 8 wells. Mayor Andolshek suggested that the property owner should decide if they want their well relocated within a certain amount of time and let them know they can't decide 5 years from now, for example, that they want a new well at the City's expense. It was the consensus of the Council to send the proposed letter with added language that the City will be responsible for any damages.

4. PUBLIC SAFETY –

Chief Hartman reported that the Police Department logged 65 calls in Crosslake and 23 calls in Mission Township in December. This brings the total number of calls for 2004 for Crosslake to 1916 and 391 for Mission Township. These totals are higher than in 2003. Dick Phillips asked what Chief Hartman did with the smashed squad car. Chief Hartman replied that the squad that was hit during pursuit of an armed bank robber was being

repaired, not replaced. The Fire Department responded to 8 medical calls and 3 fire calls in December. This brings the total number of calls to 108 medical calls and 51 fire calls for an overall total of 159 calls in 2004. A December summary report from North Ambulance was included in the Council packet.

5. PARK AND RECREATION --

- a. Park and Recreation Director Jon Henke presented his staff report dated January 7, 2004. The morning walkers and talkers meet every morning from 8:00 A.M. to 9:00 A.M. in the gym. The Community Center now offers free internet use. Sessions are limited to a half an hour. The Community Center is offering the first aerobics session of 2005. The session runs Monday, Tuesday and Thursdays for six weeks. Cost for a membership to this session has been set at \$39. Approval to contract with Donna Keiffer for this class was requested. MOTION 01R-23-05 WAS MADE BY DEAN EGGENA, SECONDED BY DICK PHILLIPS TO CONTRACT WITH DONNA KEIFFER TO INSTRUCT AN AEROBICS CLASS FROM JANUARY 3RD THROUGH FEBRUARY 10TH AT A COST OF \$396.72. MOTION CARRIED WITH ALL AYES. The Ideal Snowmobile Club is now grooming the snowmobile trail through Crosslake along County Road 66. The Park Department reminds riders that the speed limit is 15 mph through town. The Community Center will be open from 12-5 January 17, 2005 for the Martin Luther King Holiday. The new gym floor is in and it looks great. The floor was put in at a good time because the cost for the products used in the installation of this surface just took a drastic jump. The City saved between \$5,000 - \$8,000 by installing the surface by the end of 2004. The gymnasium walls were also painted. The cross country ski trails are in and have been groomed by Crow Wing County. Maps are available at the Community Center desk. There are trails for the beginner all the way up to the expert. The ice rink is up and running. Regular hours are Thursday and Friday from 4-8 P.M. and Saturday and Sunday from 1-8 P.M. The Park Department also has a small sledding hill for families to utilize this winter. The hill is located directly behind the Center. The warming house will be available during the normal skating rink hours. The Knights of Columbus is hosting the annual free throw contest at the Community Center on January 23rd at 1:00 P.M. The contest is for 10-14 year old boys and girls. The Crosslake Presbyterian Church has donated a defibrillator to the Crosslake Community Center. The Park Department would like to extend sincere gratitude to the Donations Committee at the Church and especially to Mary Clement who was the direct contact through the donation process. Acceptance of this donation was requested. MOTION 01R-24-05 WAS MADE BY DICK PHILLIPS, SECONDED BY MAYOR ANDOLSHEK TO ACCEPT THE DONATION OF A DEFIBRILLATOR FROM THE CROSSLAKE PRESBYTERIAN CHURCH. Dick Phillips asked what type of training was necessary to use the defibrillator. Jon Henke replied that Dave Demcho or the MTA will

train the staff. Paul Sandelin added that as long as the staff is trained on the equipment, there is no liability to the City. MOTION CARRIED WITH ALL AYES.

6. UTILITIES –

- a. The Crosslake Communications Commission Regular Meeting Minutes of December 28, 2004 were included in the packet for Council information.
- b. Dennis Leaser presented the Highlights Report dated December 2004. The 2004 Audit will take place during the week of January 10th. The Commission has scheduled a Joint Meeting of the Council and Commission to review the annual audit for February 22, 2005 at 9:00 A.M. in City Hall. A Joint Meeting with the City Council is also scheduled at City Hall on Tuesday, January 25, 2005 at 9:00 A.M. to review the Fiber to the Home plan prepared by Vantage Point Engineering.
- c. Approval of New Utilities Commission Members – This item was tabled and will be discussed at the Special Council Meeting on Friday, January 14, 2005.
- d. The Crosslake Cablevision Digital TV Report was included in the packet for Council information.

7. PLANNING AND ZONING –

- a. Minutes of the Planning & Zoning Commission / Board of Adjustments Regular Meeting and Public Hearing of November 19, 2004 was included in the packet for Council information.
- b. The Permit Summary for December 2004 was included in the packet. Ken Anderson stated that the amount of permits is up from 2003, however, the number of municipal sewer hookups may be distorting that figure.
- c. Ken Anderson read a letter dated January 3, 2005 from Terry Curtis regarding his resignation from the Planning and Zoning Commission. Mr. Anderson thanked Mr. Curtis for his service on the Commission and stated that the vacancy will be filled by the Commission at the January 28, 2005 Planning and Zoning Commission Meeting.
- d. A staff report dated January 5, 2005 was in the packet for Council information. This report informed the Council that a brief article was prepared for the community newsletter, discussing the permit history for 2004 and identifying some specific projects that have been approved for development in Crosslake. Also attached was a copy of an article from the Brainerd Dispatch that discussed Crosslake's growth. A notice for a work session was also planned for Thursday, January 13, 2005 at 2:00 P.M. for the Council to meet with DNR staff and to discuss shore impact.
- e. A staff report dated January 5, 2005 from Ken Anderson regarding a recommendation for Park Dedication was reviewed by the Council. MOTION 01R-25-05 WAS MADE BY DEAN EGGENA, SECONDED BY TERRY CURTIS TO ACCEPT PARK DEDICATION FROM TROY PURCELL FOR METES AND BOUNDS SUBDIVISION 2004-013 IN

THE AMOUNT OF \$2,093.33 IN LIEU OF LAND. MOTION
CARRIED WITH ALL AYES.

8. ECONOMIC DEVELOPMENT AUTHORITY –

- a. Economic Development Authority Meeting Minutes of November 4, 2004 were included in the packet for Council information.

9. LONG RANGE CAPITAL PLANNING COMMISSION – None.

10. PERSONNEL COMMITTEE – None.

I. OLD BUSINESS – None.

- J. NEW BUSINESS –** Dean Swanson stated that he would like the Council to explore the possibility of video taping the Special Council meetings as citizen Dick Dietz suggested during Public Forum. Dean Eggena noted that the camera would need to be able to view the Council at tables when they are in a work session as well. Ted Strand added that all new equipment may be needed.

K. PUBLIC FORUM – None.

- L. ADJOURN - MOTION 01R-26-05 WAS MADE BY DICK PHILLIPS,
SECONDED BY TERRY CURTIS TO ADJOURN THE MEETING AT 10:40
P.M. MOTION CARRIED WITH ALL AYES.**



Charlene Nelson
Deputy Clerk

BILLS FOR APPROVAL
10-Jan-05

VENDOR	DEPT	AMOUNT
Ace Hardware, deck brush, pail, hose	PW	42.06
Ace Hardware, air filter	PW	4.04
City of Crosslake, sewer utilities	PW/Gov't	60.00
Council #65, union dues	ALL	197.66
Crosslake Rolloff, recycling	Gov't	2,450.00
Crow Wing County Chiefs of Police Assn, dues	Police	50.00
Crow Wing County Treasurer, e911 addresses	Gov't	250.00
Culligan, water and cooler rental	PW/Gov't	58.22
Cuyuna Range Firefighters Assn, annual dues	Fire	300.00
Deferred Comp	ALL	1,186.00
Delta Dental, dental insurance	ALL	1,285.00
Fortis, disability	ALL	236.71
Lakes State Bank, govt ob bonds series 1999a	Gov't	133,120.00
Lakewood Bank, govt ob bonds series 1999a	Gov't	3,307.50
Mastercard, Fleet Farm, iso-heet, hook, lamp, connectors	PW	67.41
MaSys Corporation, pc/enfors maintenance	Police	1,187.48
Medica, health insurance	ALL	12,678.23
MN Benefits	Admin	100.92
MN Chiefs of Police Assn, annual dues	Police	75.00
MN Chiefs of Police Assn, executive training institute	Police	290.00
MN Fire Service Certification Board, 2 tests	Fire	110.00
MN Life, life insurance	ALL	319.20
MN Recreation & Park Assn, annual dues	P&R	150.00
MN Rural Water Assn, membership dues	Sewer	195.00
NCPERS, life insurance	ALL	96.00
North Ambulance, subsidy	Ambulance	1,103.00
Northern National Bank, go improvement bond series 1998	Gov't	14,758.70
Pegot Auto Parts, wiper blades	PW	70.61
PERA	ALL	N/A
State and Federal Taxes	ALL	N/A
Tom Swenson, vehicle allowance	Admin	400.00
US Bank, go improvement bonds 1999b	Gov't	15,090.00
US Bank, public works facility bond pymt	Gov't	160,183.75
US Bank, go bond series 2002	Gov't	97,375.00
US Bank, go disposal system bonds	Gov't	148,956.25
US Bank, go improvement bonds 2001	Gov't	65,257.50
Ziegler, caterpillar payment	PW	12,289.26
Ziegler, cutting edges	PW	574.10
TOTAL		673,874.60

DECEMBER BILLS PAID IN JANUARY
10-Jan-05

VENDOR	DEPT	AMOUNT
Ace Hardware, cabinet, garage kit	PW	27.02
Ace Hardware, screws, magnetic drive, screwdriver	PW	19.02
Ace Hardware, batteries	PW	40.74
Ace Hardware, epoxy, batteries, glue, saw hole	P&R	29.44
Ace Hardware, heat tape, power cord, pipe	Sewer	78.86
Ace Hardware, marking paint	PW	11.69
Ace Hardware, couple	PW	3.18
Ace Hardware, adapter, bushing, couple	PW	26.28
Ace Hardware, primer, cement, adapter, bushing	PW	14.18
Ace Hardware, ice melt, lighter fluid	PW	169.69
Ace Hardware, duck tape, masking tape, poly film	P&R	19.44
Ace Hardware, flex couple, elbow	PW	6.58
Ace Hardware, tarp	Fire	123.39
Aitkin Implement, filter, coupling, oil	PW	195.12
AW Research, water test	Sewer	114.00
AW Research, water test	Sewer	114.00
AW Research, water test	Sewer	114.00
Cellular One, cell phone charges	Police	218.29
County Highway Department, fuel	ALL	1,721.83
County Highway Department, 2004 salt and sand	PW	10,000.00
County Recorder, filing fees	P&Z	39.00
County Recorder, filing fees	P&Z	19.50
County Treasurer, arcview and cad updates	P&Z	100.00
Crosslake Communications, phone, fax, cable, internet	ALL	1,407.84
Crow Wing Power, final electric service at old garage	PW	21.85
Dacotah Paper, mops, handles, paper towels	Gov't	438.27
Daggett Brook Villas, reimburse tif	Gov't	377.10
Davies Water Equipment, swivel horns	Sewer	173.79
Echo Publishing, meeting notice 1-3-05	P&Z	25.00
Heartland Tire, tires delivered to spielman repair	PW	486.58
Holiday of Crosslake, propane	P&R	15.96
Holiday of Crosslake, propane	PW	166.10
Holiday of Crosslake, propane	Cemetery	23.95
Holiday of Crosslake, fuel	Fire	55.83
Ideal Contractor Supply, aluminum rung	PW	297.14
Ideal Contractor Supply, storage cabinet	Sewer	984.20
Lakes Area Rental, metal detector	PW	12.78
Metro Fire, foam, hooligan tool	Fire	352.00
Molly's Cleaning Service, december cleaning	Gov't	745.50
Northern Safety Technology, led lights, brackets, speaker	Fire	743.02
Pequot Auto Parts, 5 ton service jack	PW	564.44
Pequot Auto Parts, voltmeter, alternator, cable	Fire	155.63
Pequot Auto Parts, beam and halogen	PW	43.13
Public Safety Center, boots, helmet light, clips	Fire	246.40
Quill, calculator	P&Z	7.66
Quill, overhead transparencies, hanging files	P&Z	37.17

Robert Hartman, reimburse uniform	Police	71.82
Shipman Auto Parts, cutting edge kit	PW	407.02
Simonson Lumber, osb board	PW	13.51
Simonson Lumber, osb board	Fire	23.64
Streichers, tac vest	Police	2,178.90
Viking Coca Cola, pop	Gov't	30.89
Viking Coca Cola, pop	PW	42.44
Volunteer Firefighters Benefit Assn, membership dues	Fire	17.00
Widseth Smith Nolting, engineering services	ALL	1,307.50
Xcel Energy, gas utilities	ALL	3,154.03
Ziegler Cat, repair snowblower	PW	625.76
TOTAL		28,459.10

ADDITIONAL BILLS FOR APPROVAL
10-Jan-05

VENDOR	DEPT	AMOUNT
Ace Hardware, acetone	P&R	6.38
Ace Hardware, poly film	P&R	25.52
Blue Lakes Disposal, trash removal	ALL	213.53
Brandanger Office Supply, name plates	Gov't	27.67
County Recorder, filing fees	P&Z	97.50
Echo Publishing, ordinance 203	P&Z	28.13
Echo Publishing, employment ad	P&R	18.00
Echo Publishing, ordinance 204	Sewer	23.44
Echo Publishing, ordinance 201	P&Z	25.00
Echo Publishing, ordinance 202	Gov't	25.00
Echo Publishing, commission vacancies	P&Z	49.00
Grafix Shoppe, squad marking kit	Police	280.31
Hart, animal rescue fee	Police	20.00
John Deere, tractor	P&R	6,185.96
Mastercard, Home Depot, paint and supplies	P&R	402.30
Metro Fire, cylinder valves	Fire	1,656.00
Metro Fire, 4 foot pike pole	Fire	83.53
Postmaster, postage for newsletters	Gov't	180.00
Quill, folders, index tabs, pens, ink refills	Admin/P&Z	64.02
Quill, labels, batteries, frames, folder frames	Admin/Gov't	41.71
Samaritan Tire, tires	Police	248.56
Sandelin Law Office, legal services	ALL	6,367.88
TOTAL		16,069.44

RESOLUTION 05-01
ADOPTING RESOLUTION

The undersigned Principal of City of Crosslake (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on January 10, 2005 and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended Cafeteria Plan including a Dependent Care Assistance Program and Health Care Reimbursement Plan effective January 1, 2005, presented to this meeting is hereby approved and adopted and that the duly authorized agents of the Employer are hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

RESOLVED, that the Administrator shall be instructed to take such actions that are deemed necessary and proper in order to implement the Plan, and to set up adequate accounting and administrative procedures to provide benefits under the Plan.

RESOLVED, that the duly authorized agents of the Employer shall act as soon as possible to notify the employees of the Employer of the adoption of the Cafeteria Plan by delivering to each employee a copy of the summary description of the Plan in the form of the Summary Plan Description presented to this meeting, which form is hereby approved.

The undersigned further certifies that attached hereto as Exhibits A and B, respectively, are true copies of City of Crosslake Cafeteria Plan as amended and restated and the Summary Plan Description approved and adopted in the foregoing resolutions.



Principal

Date: 1/10/05