

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
FRIDAY, JANUARY 31, 2003
9:00 A.M. - CITY HALL

Pursuant to due notice and call, the Council for the City of Crosslake met on Friday, January 31, 2003 at 9:00 A.M. at Crosslake Communications due to remodeling being done at City Hall. The following Councilmembers were present: Mayor Darrell Swanson, Dean Eggena, Chuck Miller, Dick Phillips and Irene Schultz. Also present was City Administrator Tom Swenson, City Attorney Paul Sandelin, City Engineer Mark Hallan, Public Works Director Ted Strand, Clerk/Treasurer Darlene Roach and Lake Country Echo Reporter Bryan Clapper. There were approximately two individuals in the audience.

Mayor Swanson called the special meeting to order at 9:00 A.M. and informed everyone where the emergency exits are located. Mayor Swanson stated that the purpose of the meeting is to hear information from the City Attorney regarding his review of documentation received from the contractors and bond counsel related to the construction contracts. In addition, information on water quality samples and budget estimates for outfitting the sewer plant, review of bills for approval and Personnel Committee recommendations will be acted on.

City Attorney Sandelin stated that he has received all of the information, which was requested from the sewer project construction contractors and identified in a letter to the City dated January 16, 2003. Specifically, KHC Construction, Inc. and Hammerlund Construction, Inc. have provided revised Certificates of Insurance consistent with the letter of January 16th. In addition, Attorney Sandelin stated that he has verified that the bonding and insurance companies have a rating of at least "A" or better.

City Attorney Sandelin also commented on a letter received from Mary Ippel, the City's Bond Counsel, which indicates that the City can utilize real estate tax revenues to pay for bonds issued by the City, in this case under Minnesota State Statute Section 115.46, without issuing bonds under Chapter 429. Attorney Sandelin stated that the City is now in a position to sign the contracts. Mayor Swanson asked the City Attorney if he was certifying that everything has been provided to the City as requested. Mayor Swanson asked if there were any questions from the Council. Councilmember Eggena asked Clerk Roach to read his question from the January 17, 2003 meeting. Clerk Roach read the question "Can we use real estate tax revenue to pay for the bond issue without using Chapter 429". Councilmember Eggena stated that he doesn't understand where Section 115.46 comes into play since his understanding of the use of that Section is reserved for situations where the MPCA informs the City they have a pollution problem that needs to be cleaned up. Attorney Sandelin stated that he is relying on the opinion of the bond counsel who is stating that the City can utilize Section 115.46. Councilmember Eggena asked how the City can justify using Section 115.46 when the City hasn't been ordered to clean anything up. City Attorney Sandelin stated that it doesn't require a letter from the State before bonds can be issued and that there is a difference of opinion in the interpretation of the Statute between Councilmember Eggena and the bond counsel. Councilmember Eggena asked the City Attorney if he could defend this position if it ends

up in court. City Attorney Sandelin stated that, yes, he could defend the City's position in this matter. It was noted that Councilmember Miller joined the meeting at 9:06 A.M. and he was advised of the content of the meeting to this point. City Attorney Sandelin stated that anytime the City enters into an agreement to issue bonds, an opinion is obtained from the bond counsel. Mayor Swanson stated that since none of us on the Counsel are attorney's we have to rely 100% on the professional opinions of our attorney and bond counsel.

Public Works Director Ted Strand stated that at the January 13th Council meeting, Councilmember Eggena requested the results of the lake testing that had been done on Big Pine Lake. Ted Strand stated that the City's permit requires that testing be done, initially at the onset of the project and then periodically thereafter. Two of the samples collected were sent to a certified lab and the other readings were tested locally. These tests are taken monthly from spring to late fall and annually the results are sent to the MPCA. Councilmember Eggena asked how these results show what the quality of the water is in the lake and how they compare to Minnesota Standards for drinking water. City Engineer Mark Hallan stated that what has been tested is a fraction of drinking water standards. What was tested is what the MPCA is looking for, not benzine's, gasoline, petroleum products and etc. that may be in the water but not required to be tested by the MPCA. In order to determine drinking water quality, extensive testing would need to be done which would cost somewhere around \$1100 to \$1200. Mark Hallan stated that a lake is a living organism with bacteria in it and that is the reason for sewage treatment prior to discharge into the lake. Mayor Swanson stated that he was not aware of anything from the State that says we can drink the water from our lakes and Mark Hallan stated that is why you treat water before you drink it, but what the City is testing for is what the permit requires the City to test for. Councilmember Eggena stated that in the contracting business, it is a requirement that the well water be tested before occupancy can take place in the home and this only costs \$35.00. City Engineer Hallan stated that what contractors test for is the presence of coliform bacteria nothing else. Councilmember Eggena stated that we have been talking about water quality problems in the area for the past two – six years and I don't think we have any water quality problems. I think we owe it to the public to tell them that we don't have contamination. Mark Hallan stated that to actually test the water you would need to go back a number of years to look at the standards then compared to what is there now in order to determine if there has been any degradation of the quality of the water. What the MPCA wants to see is that there is no effect on the lake as a result of the sewer project. Councilmember Phillips commented that this testing is really a stake in the ground so from this point on any degradation would be known. Ted stated that the City is really the collection station for the MPCA in that there has been no other data collected. The City went to the DNR and the Corps of Engineers to determine if any prior testing had occurred and there has been no testing of the lake up to this time. Mark Hallan stated that the Corps of Engineers has been testing the effluent from their treatment plant, but they have not tested any of the water downstream. Mayor Swanson asked if possibly there was any testing of water in Pine River since their effluent also flows into the Pine River. Mark Hallan stated that testing of the receiving body is a relatively new requirement of the MPCA so he does not know if Pine River has been testing the water.

Public Works Director Ted Strand prepared a listing of supplies needed for start-up of the sewer plant and collection system which was provided to the Council for their information.

MOTION 01S2-01-03 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN EGGENA TO APPROVE THE BILLS FOR PAYMENT AS SUBMITTED IN THE AMOUNT OF \$2,432.17. MOTION CARRIED WITH ALL AYES.

At a meeting held on January 27, 2003, the Personnel Committee approved a motion to recommend to the City Council that Building and Registration Assistant Linda Guertin be removed from probationary status and placed on regular full-time status and moved from Step 6 to Step 8 of the Union Pay Scale effective February 2, 2003. MOTION 01S2-02-03 WAS MADE BY IRENE SCHULTZ AND SECONDED BY CHUCK MILLER TO APPROVE REMOVING LINDA GUERTIN FROM PROBATIONARY STATUS AND PLACED ON REGULAR FULL TIME STATUS AND MOVED FROM STEP 6 TO STEP 8 EFFECTIVE FEBRUARY 2, 2003. MOTION CARRIED WITH ALL AYES.

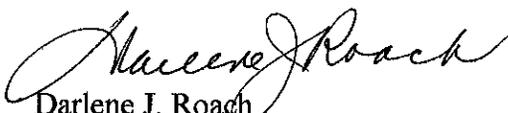
When the non-union wages were approved in December by the Council, an administrative error was made which indicated that Jay Lorch and Bobby Willard were on Step 4 of the Wage Schedule in 2002. These two officers were actually on Step 5 in 2002 earning \$14.11 per hour. Retroactive approval to January 1, 2003 is requested to move Jay Lorch to Step 6 (\$14.64 per hour) on the 2002 Wage Schedule. Bobby Willard will remain on Step 5 in 2003 since he resides outside the Crosslake response area. MOTION 01S2-03-03 WAS MADE BY IRENE SCHULTZ AND SECONDED BY DEAN EGGENA TO APPROVE THE CORRECTION IN THE STEP SCHEDULE FOR THE TWO OFFICERS AND TO APPROVE A RETROACTIVE INCREASE TO STEP 6 FOR JAY LORCH EFFECTIVE JANUARY 1, 2003. MOTION CARRIED WITH ALL AYES.

A letter of resignation has been received from Community Development Director Paul Larson. Paul's last day will be February 21, 2003. At its meeting of January 27, 2003, the Personnel Committee discussed not making any recommendation to the Council until the job description for this position can be reviewed. Approval to accept the resignation was requested. MOTION 01S2-04-03 WAS MADE BY DEAN EGGENA AND SECONDED BY IRENE SCHULTZ TO ACCEPT THE RESIGNATION OF COMMUNITY DEVELOPMENT DIRECTOR PAUL LARSON. Councilmember Eggena stated that, as liaison to the Planning and Zoning Department, he would like to take some time to look at the layout in the Department. He stated that he is too new to this position to know if there are some changes the City may want to make to save money and better utilize personnel. He stated that so far Crosslake has been lucky in that we don't carry much debt and don't get much State money, which is jeopardy of being taken away. Mayor Swanson stated that to include Councilmember Eggena in the Personnel Meetings would constitute a quorum of the Council. Councilmember Phillips stated that at the meeting held on January 27th, the Committee did decide to wait until City Administrator Swenson could look at the job description and comparable worth points. Councilmember Eggena stated that it is easy for beauacrarcy to slip in unknowingly even in our small community at no fault of any individual, so maybe this would be an appropriate time to look at the efficiency of the department and at the same time save the

City some money. Councilmember Miller cautioned the members of the Council to be careful that the City doesn't lose good people because we are not staying competitive. City Administrator Swenson stated that it is standard procedure to look at job descriptions when someone leaves a department. Councilmember Eggena stated that last fall he received a pamphlet in the mail as a taxpayer, which was very complex and time consuming on the part of Staff. This pamphlet addressed very detailed information regarding the type of grass to be planted on the lakeshore. With his family in the sod business for fifty years, he stated that there is no one in the City that can take a blade of grass and tell you what it is. Grasses are blends and yet the pamphlet stated that natural grasses should be used. Councilmember Eggena felt this is bureaucracy at its finest. Mayor Swanson explained how this came about and how the Whitefish Property Owners Association took on an initiative dealing with the restoration of lakeshore and as a part of this program, the University of Minnesota provided information which the City passed on to its residents as a public service to inform the people where they could get more information on this topic. Mayor Swanson agreed that this is a good time to look at the department. Mayor Swanson did state that just three years ago when Teri Hastings left, a change was tried in the department where the office was only open to the public half days and the other half day was spent on inspections and work within the department. This didn't work, because the public demanded more, so even though we are in better shape now than we were three years ago we have to be careful that we don't go backwards. Councilmember Schultz stated that she has received many complaints that the City doesn't perform enough oversight and inspection. Mayor Swanson stated that the issue of a building inspector has come up before and maybe it needs to be reviewed again by the Planning and Zoning Commission. Councilmember Miller stated at that time the City felt a building inspector wasn't needed, but more planning was needed for housing, a school and etc. Councilmember Eggena stated that being in construction he works in all communities and in Brainerd where the building code is enforced, a permit can be issued and work can begin the next day. Crosslake only issues 20% of the permits issued in Crow Wing County and I can get a permit the same day. Crosslake is looking at things much closer than anyone else and we have created a bureaucracy in Crosslake since it requires a ten day waiting period. No one else takes this long including Breezy Point and Pequot Lakes. Operations Manager Jared Johnson commented that part of the wait is due to the coordination with the Communications Company needing to flag and stake. Councilmember Eggena stated that this is a Gopher One Call which is mandatory in all municipalities. Mayor Swanson stated that this was not an issue to be debated today, but will be looked at. MOTION CARRIED WITH ALL AYES.

There being no further discussion, MOTION 01S2-05-03 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN EGGENA TO ADJOURN THIS SPECIAL COUNCIL MEETING AT 9:45 A.M. MOTION CARRIED WITH ALL AYES.

Recorded and transcribed by,


Darlene J. Roach
Clerk/Treasurer

ADDITIONAL BILLS FOR APPROVAL
31-Jan-03

VENDOR	DEPT	AMOUNT
Carla Backstrom, reimburse computer software	P&Z	323.98
Carla Backstrom, reimburse mileage	P&Z	43.20
Cellular One, cell phone charges	PW	27.29
Cellular One, cell phone charges	Police	132.11
Crow Wing Power, electric utilities	ALL	1,357.01
Donna Keiffer, aerobics class check # 33575	P&R	198.36
Erik Lee, reimburse travel expenses	Police	174.13
Jay Lorch, reimburse uniform expense	Police	69.20
Mastercard, Best Buy, file cabinet ck # 33582	P&R	106.89
TOTAL		2,432.17