

COUNCIL PROCEEDINGS
CITY OF CROSSLAKE MINNESOTA
REGULAR SESSION
February 13, 1989
7:30 p.m. at City Hall

The City Council for Crosslake Minnesota met in a regular session on Monday, February 13, 1989 in the Council Chambers of City Hall. The following members were present: Mayor Kurt Anderson and Councilmembers Roger Burshem and Charles Miller. Absent were Councilmembers Lyle Arends and Diana Gallaway. Also present was City Clerk Arlene Buchite. There were approximately 25 members of the community present.

Mayor Anderson called this regular council meeting to order at 7:30 p.m.

The first item on the agenda was the Consent Calendar. MOTION NO. 2R-01-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO APPROVE ALL ITEMS ON THE CONSENT CALENDAR WHICH CONSISTED OF: (1) MINUTES OF THE JANUARY 9, 1989 REGULAR COUNCIL MEETING; (2) THE CLERK/TREASURER'S FINANCIAL REPORT FOR JANUARY, 1989; (3) THE TELEPHONE COMPANY'S FINANCIAL REPORT FOR JANUARY, 1989; AND (4) THE CABLEVISION'S FINANCIAL REPORT FOR JANUARY, 1989. MOTION PASSED UNANIMOUSLY. Mayor Anderson stated that since there were only two councilmembers present he would be voting on each motion just in case the two absent members would have voted in opposition to the two councilmembers present.

CLERK'S REPORT - The first item was bills for payment. MOTION NO. 2R-02-89 WAS MADE BY COUNCILMEMBER BURSHEM AND SECONDED BY COUNCILMEMBER MILLER TO APPROVE ALL BILLS FOR PAYMENT INCLUDING A BILL FROM LANDECKER AND ASSOCIATES, INC. FOR \$9350.00 FOR ENGINEERING WORK FROM APRIL TO DECEMBER, 1988 ON DAGGETT BAY AND MILINDA SHORES ROADS. MOTION PASSED UNANIMOUSLY.

The next item was approval of a Certificate of Deposit through 4-M Funds. MOTION NO. 2R-03-89 WAS MADE BY COUNCILMEMBER BURSHEM AND SECONDED BY COUNCILMEMBER MILLER TO APPROVE THE \$100,000.00 CERTIFICATE OF DEPOSIT THROUGH 4-M FUNDS AT 9.6 PERCENT GROSS INTEREST. MOTION PASSED UNANIMOUSLY.

Workman's Compensation coverage for the City council members was discussed briefly. It was the consensus of the Council that the cost was too high because of the \$70 minimum salary to be used in calculating premiums. MOTION NO. 2R-04-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO REJECT THE WORKMANS COMPENSATION COVERAGE FOR THE COUNCIL. MOTION PASSED UNANIMOUSLY.

The property tax structure has undergone changes statewide and because of the changes a new formula was devised for the firemen's relief association payment. The 1987 assessed valuation for Crosslake was \$25,119,378.00 and the new gross tax capacity (assessed valuation) for 1988 is \$3,233,324.00. Mayor Anderson briefed the Council as to how the original formula was determined and how the new formula was arrived at. The new formula was obtained by dividing last years assessed valuation by this years tax capacity rate and divided that answer by three to get a quotient of 2.59. We took the 2.59 times the tax capacity rate and got \$8,374.31. MOTION

NO. 2R-05-89 WAS MADE BY COUNCILMEMBER BURSHEM AND SECONDED BY COUNCILMEMBER MILLER TO ACCEPT THE NEW FORMULA FOR THE FIREMEN'S RELIEF ASSOCIATION CONTRIBUTION AND APPROVE \$8372.31 AS THIS YEARS CITY CONTRIBUTION TO THE ASSOCIATION. MOTION PASSED UNANIMOUSLY.

Clerk Buchite presented a copy showing the computer class in Brainerd for the Enable program and stated she would like to attend. MOTION NO. 2R-06-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO PAY TUITION AND EXPENSES FOR THE CITY CLERK TO ATTEND THE ENABLE COMPUTER CLASSES IN BRAINERD. MOTION PASSED UNANIMOUSLY.

The next item on the Clerk's Report was the annual Clerk's Conference in Alexandria on March 14, 15, 16, and 17, 1989 at the cost of approximately \$250.00 MOTION NO. 2R-07-09 WAS MADE BY COUNCILMEMBER BURSHEM AND SECONDED BY COUNCILMEMBER MILLER TO ALLOW THE CLERK TO ATTEND THE CLERK'S CONFERENCE IN ALEXANDRIA ON MARCH 14, 15, 16 AND 17, 1989 WITH ALL EXPENSES PAID. MOTION PASSED UNANIMOUSLY.

Renewal of the pull tab gambling license at Ye Olde Wharf by the Lion's Club was the next item on the agenda. MOTION NO. 2R-08-89 WAS MADE BY COUNCILMEMBER BURSHEM AND SECONDED BY COUNCILMEMBER MILLER TO APPROVE THE GAMBLING LICENSE FOR PULL TABS BY THE LIONS CLUB AT THE YE OLDE WHARF. MOTION PASSED UNANIMOUSLY.

The Game and Fish Club had made application for a Bingo license. MOTION NO. 2R-09-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO APPROVE THE GAMBLING LICENSE FOR BINGO BY THE GAME AND FISH CLUB AT THE GAME AND FISH CLUB BUILDING. MOTION PASSED UNANIMOUSLY.

Clerk Buchite informed the Council that previous clubs and liquor license requests were pro-rated for the year in which they were requested and she would like some direction on the new Moonlight Bay licenses. MOTION NO. 2R-10-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO PRO RATE THE FEE FOR THE 3.2 ON-SALE, THE 3.2 OFF-SALE, WINE AND SET-UP LICENSES FOR THE NEW MOONLIGHT BAY RESTAURANT. MOTION PASSED UNANIMOUSLY.

The next item for consideration was the approval of City employees pay raises which were effective January 1, 1989. MOTION NO. 2R-11-89 WAS MADE BY COUNCILMEMBER BURSHEM AND SECONDED BY COUNCILMEMBER MILLER TO APPROVE THE 5 PERCENT PAY INCREASES FOR ALL CITY EMPLOYEES EFFECTIVE JANUARY 1, 1989. MOTION PASSED UNANIMOUSLY.

PARK AND RECREATION - Sandy Lager, Commission member, was present to read a report from the Park and Recreation Commission regarding additional tennis courts. Mayor Anderson commented that since this report was just received this evening he would like to wait until the full Council was present for action. Ms. Felber stated that there were several sources for grant monies but that she had not checked into them as yet.

Mayor Anderson stated that the next item he would like to have action on was the Park Policy manual. Mayor Anderson said he would like to have the policy approved as it was presented so the Park has something to work

with and with the understanding that changes can be made later. MOTION NO. 2R-12-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO APPROVE THE PARK POLICY MANUAL AS PRESENTED. MOTION PASSED UNANIMOUSLY.

Mayor Anderson read a memo from the Park Commission regarding vacancies on the Park Commission membership. Two seats were available and three names, Glenn Bennett, Andy Nelson and Dean Swanson were submitted. MOTION NO. 2R-13-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO APPROVE GLENN BENNETT AND ANDY NELSON AS PARK COMMISSION MEMBERS. MOTION PASSED UNANIMOUSLY.

Mayor Anderson said he would deviate slightly from the agenda at this time to allow Duane Blanck, Crow Wing County Highway Engineer, to address the Council regarding the proposed road work on CSAH #16 from the West City limits to West Shore Drive.

Mr. Blanck stated that there would be nothing unique regarding the proposed construction in that it will be a typical rural type roadway with ditches but no curbs and gutters. Mr. Blanck displayed plans to the Council to show that some of the curves were lessened and the finished top would be 40 feet with two 12 foot driving lanes and 8 foot shoulders. The load limit would be nine ton capacity. Mr. Blanck indicated they would be commencing construction this season, probably in August, with the bituminous laid in 1990. MOTION NO. 2R-14-89 WAS MADE BY COUNCILMEMBER BURSHEM AND SECONDED BY COUNCILMEMBER MILLER TO APPROVE THE RESOLUTION FOR CONSTRUCTION, RECONSTRUCTION OR IMPROVEMENTS ON CSAH #16 FROM THE WEST CITY LIMITS TO WEST SHORE DRIVE IN THE CITY OF CROSSLAKE. MOTION PASSED UNANIMOUSLY.

Mr. Blanck stated that the County would also be resurfing CSAH #3 from Merrifield to Beavers Corners during the 1989 season and making a 9 ton capacity from the South into Crosslake.

A citizen present asked about storm sewers and was informed by Mr. Blanck that this portion of CSAH #16 did not include any storm sewers but may include extending the existing drain on the north side of CSAH #16 by Loveland's Resort. This project on CSAH #16 will tie in with last year's project at Ideal Corners.

PLANNING AND ZONING - No report.

CEMETERY - Mayor Anderson said he had talked with Sam Dunbar regarding additional property for the City Cemetery and was informed that Mr. Dunbar had quoted a price but had never had it accepted, rejected or counteroffered. Mayor Anderson said Mr. Dunbar would be willing to sell an acre of land fronting CSAH #36 and going back as far as the present cemetery for \$5,000.00.

PUBLIC SAFETY - Mayor Anderson remarked that he had one opening on the Public Safety Commission and he had the names of Oliver Courts and Jack Lindenberg who wanted to serve. Councilmember Miller said he felt that anytime you could get some new blood into City activities it is worth it. MOTION NO. 2R-15-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY

COUNCILMEMBER BURSHEM TO APPROVE JACK LINDENBERG AS A MEMBER OF THE PUBLIC SAFETY COMMISSION. MOTION PASSED UNANIMOUSLY.

Mayor Anderson stated that the meetings of the Public Safety Commission will be changed to 4:00 p.m. on the first Monday of each month instead of 1:00 p.m. because of Fire Chief Dave Schliek's work schedule.

Mayor Anderson said he has heard reports that the Police Department has been issuing a lot of tickets to snowmobilers but Chief Backdahl informed him that no tickets have been issued yet but several warnings have.

Mayor Anderson commented that the report from Fire Chief Schliek was a good report and requested that a copy of it be posted on the bulletin board.

UTILITIES COMMISSION - Mr. Dene Carney, Chairman, was present to say that the Telephone Commission had two meetings last month and a copy of the minutes was mailed to the Council. Mr. Carney said the Commission met regarding the general managers 1989 increase in salary in a special meeting on January 19, 1989. The two options the Commission recommended were (1) a 7½ percent wage increase or (2) a 5 percent wage increase with a deferred annual 2½ percent compensation in the form of an insurance package. Mayor Anderson said because of Section 89 requirements he was not sure that the second option could be considered because the same compensation may have to be offered to all City employees. MOTION NO. 2R-16-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO GIVE THE TELEPHONE COMPANY MANAGER A 7½ PERCENT INCREASE IN WAGES WITH 2½ PERCENT OF IT IN DEFERRED COMPENSATION, IF THIS IS POSSIBLE WITH THE SECTION 89 REQUIREMENTS. MOTION PASSED UNANIMOUSLY. Clerk Buchite will try to obtain information as to whether the deferred compensation fits into the guidelines of Section 89. Mr. Burshem asked Mr. Carney to explain the insurance policy for the benefit of the Council. Mr. Carney said the insurance program would belong to the telephone company and would not belong to Tony entirely until he has been with the telephone company for 15 years. In the meantime he could leave the company and take the cash value at that time. Mr. Carney said this is being reviewed by the telephone company attorneys. Mr. Burshem said he felt it should be explained because all of the City employees would like a 7½ percent raise or insurance policy such as that and it is important for the employees to know that Tony is not getting this money that he will get it over a period of time if it comes at all. Mr. Carney said he felt it is important for the people of Crosslake to know how valuable the telephone manager is. Mr. Carney said that Mr. Mayer was instrumental in leasing 4 of the 10 fiber optics lines and that those four lines will pay for the fiber optic cable and the installation of the cable. Mr. Carney stated that the payment to the City this past year is the second largest in the history of the company. The total amount was \$67,000 and it came out of the telephone operation, according to Mr. Carney.

ROAD COMMISSION - Chairman Scott Gallaway was present to say the Road Commission was recommending to the Council that a full-time maintenance assistant should be hired that can operate the road grader, snow plow and heavy equipment owned by the City, and to transfer the current

maintenance assistant to the Park full-time. MOTION NO. 2R-17-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO ADVERTISE FOR A FULL TIME MAINTENANCE ASSISTANT AND MOVE THE PRESENT ASSISTANT TO THE PARK. Discussion ensued regarding the salary. Mayor Anderson said he felt somewhere around \$8.00 would be fair if the man can run all the equipment. MOTION PASSED UNANIMOUSLY.

Chairman Gallaway said the Commission had obtained quotes for the radios for the pickup, the dump truck, the grader, a base station power supply and a walkie plus some other miscellaneous items and the cost came to \$3037.00. Mr. Burshem said the way he understood it was this was a one time deal and the City is getting a very good price on the radios. MOTION NO. 2R-18-89 WAS MADE BY COUNCILMEMBER BURSHEM AND SECONDED BY COUNCILMEMBER MILLER TO APPROVE THE PURCHASE OF RADIOS FOR THE STREET EQUIPMENT AND A BASE STATION FOR APPROXIMATELY \$3037.00. MOTION PASSED UNANIMOUSLY. Mr. Burshem said that Pat Hoag had gotten stuck over by his house and used his phone to call for help and this could happen when Pat is out in the middle of the night with no one around.

Mr. Will Hoyt, Engineer from Landecker and Associates, Inc., was present to say that the Road Commission has set up six roads for work this coming year. The roads are Park Lane, Summitt Avenue, Daggett Pine Road, West Shore Drive (the portion not overlaid during the 1986 road project), Happy Landing Road and Harbor Lane. Mr. Hoyt explained that according to the existing road policy these roads will be paid 60 percent with City funding and 40 percent with property assessments. Mr. Hoyt requested that a preliminary assessment hearing be scheduled whereby all property owners would be notified of the intent of the City to improve those roads. The public hearing date was discussed briefly and it was the consensus of the Council that it should be on a weekend. The date was set for March 18, 1989 at 10:00 a.m. at City Hall. Mr Hoyt said they would get the necessary notices to the City Clerk for publication.

The next item Mr. Hoyt discussed was the results of the questionnaire sent out for the road work on Dream Island. Thirty-five percent said yes and forty-seven percent said no to having the road overlaid with 100 percent of the assessments paid by the property owners. Mr. Miller said he felt the City had too much money invested to back out at this point. Mayor Anderson said he felt the City should wait until the property owners make known what they want because the Council does not want to force anything on them. Mr. Hoyt said the Council could proceed with the work by a 4/5 vote of the Council when there is no petition and when there is a petition with over 35 percent of the property owners in favor there would only need to be a vote of the majority of the Council to proceed. Chairman Gallaway said the Daggett Pine Road will be overlaid even though the property owners do not want it because it is existing blacktop and they must work on it this year or it will need major renovation at a much greater cost.

FUNDING AND FUTURE DEVELOPMENT - Mayor Anderson said Councilmember Gallaway was not present this evening due to illness but had requested that he request approval of her commission members and raising the number of the

membership from five to seven. MOTION NO. 2R-19-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO APPROVE CHANGING THE MEMBERSHIP OF THE FUNDING AND FUTURE DEVELOPMENT COMMISSION FROM FIVE TO SEVEN MEMBERS AND TO APPROVE BONNIE GRIES, HAROLD JOHNSON, RICK KOCH, DEAN SWANSON AND TONY MAYER AS MEMBERS. MOTION PASSED UNANIMOUSLY.

PERSONNEL - Nothing.

MAYOR'S REPORT - Mayor Anderson informed the Council that a Summons has been received from Paul Bilzerian opposing the ruling of the City for granting the Conditional Use Permit for Lonna Andolshek's Bed and Breakfast.

Mayor Anderson said several people had indicated to him that they had a problem with the new post office being located at the Old Log Landing. Mayor Anderson said he called the post office and told them that there was a piece of land 85 feet by 400 feet next to the old City Hall that might be a suitable place to build a post office. The postal authorities have notified him that they are interested in the proposed site. Mayor Anderson stated it will be on the March agenda and will be discussed at that time and if the Council approves, a price will be arrived at.

NEW BUSINESS - Nothing.

OLD BUSINESS - Nothing

PUBLIC FORUM - Oliver Courts said the septic system for the old City Hall is located in the area proposed for sale. Mayor Anderson said a new system would be required before it could be sold or leased anyway. Mr. Carney asked about keeping some of the back land for the Telephone Company use and Mayor Anderson said the City will sell only what the post office needs to build their building which is 24' by 65'. Mayor Anderson said he feels that eventually Fifty Lakes and Manhattan Beach will be closed and consolidated with Crosslake. Mayor Anderson said he feels that if the post office is moved away from downtown it will grossly hurt the downtown businesses and the Council should help them to stay open.

MOTION NO. 2R-20-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO ADJOURN THIS REGULAR COUNCIL MEETING AT 8:50 P.M. MOTION PASSED UNANIMOUSLY.

Recorded and transcribed by:



Arlene A. Buchite
City Clerk/Treasurer