

PUBLIC HEARING AND REGULAR COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, FEBRUARY 14, 2000
7:00 P.M. – CITY HALL

The Council for the City of Crosslake met in the Council Chambers of City Hall on Monday, February 14, 2000 at 7:00 P.M. The following Council Members were present: Mayor Darrell Swanson, Charles Miller, Irene Schultz and Richard Upton. Absent was Dean Swanson. Also present was City Administrator Thomas Swenson, City Attorney Paul Sandelin, City Engineers Dave Reese and Mark Hallan and Deputy Clerk Darlene Roach. Also in attendance was Sheila Haverkamp of BLADC, Lake Country Echo Reporter Betty Ryan and approximately fourteen residents.

1. Mayor Swanson called the Public Hearing to order at 7:02 P.M. and stated that the purpose of the hearing was to hear public comments regarding the issuance of revenue notes by the City of Brainerd to finance property for the benefit of Lutheran Social Services. The City is required to take action since Camp Knutson, which is located within the City of Crosslake, will be the recipient of funds for use in purchasing vehicles. There is no financial obligation on the part of the City. The hearing was then open for public comments. There being no comments, MOTION 02PH-01-00 WAS MADE BY CHUCK MILLER AND SECONDED BY IRENE SCHULTZ TO APPROVE RESOLUTION NO. 00-04 APPROVING AND AUTHORIZING THE ISSUANCE OF REVENUE NOTES BY THE CITY OF BRAINERD UNDER MINNESOTA STATUTES, SECTIONS 469.152 THROUGH 469.165, AS AMENDED, TO FINANCE PROPERTY FOR THE BENEFIT OF LUTHERAN SOCIAL SERVICE OF MINNESOTA. MOTION CARRIED WITH ALL AYES.

MOTION PH2-02-00 WAS MADE BY RICHARD UPTON AND SECONDED BY CHUCK MILLER TO CLOSE THE PUBLIC HEARING AT 7:07 P.M. MOTION CARRIED WITH ALL AYES.

2. Rob Larson of Camp Knutson addressed the Council and requested support from the City on the major renovation being done at Camp Knutson. He stated that the Camp has begun rebuilding many of the structures that were originally built in the early 60's. He stated that Senator Don Samuelson is proposing legislation to assist with the installation of a new septic system and corrections to erosion problems that are prevalent at the Camp. He requested Council approval in support of this legislation. MOTION 02R-01-00 WAS MADE BY CHUCK MILLER AND SECONDED BY RICHARD UPTON TO SUPPORT RESOLUTION NO. 00-05 SUPPORTING CAMP KNUTSON GRANT LEGISLATION. MOTION CARRIED WITH ALL AYES.

3. George Orning of Widseth Smith Nolting was present to give an update on proposed legislation to authorize a ¼ percent sales and use tax in Crosslake to support wastewater infrastructure improvements. George Orning gave a brief overview of the work that has been done to this point. Since it appears the City does not qualify for any matching funds for the wastewater project, one way of enlarging the paying

group would be to impose a tax which would spread the cost among the property owners and visitors to the area. The City Council approached Senator Don Samuelson and Representative Kris Hasskamp to introduce legislation for the tax. If approved by both the House and the Senate, the bill would then be sent to the Governor for approval and then on to the voters in a city referendum. It is expected that the sales tax would pay between twenty and twenty five percent of the cost of the bonds issued for the Phase I Wastewater System. The bill will be introduced at a House Hearing on February 17th and Councilmember Miller and City Administrator Swenson will attend the hearing along with George Orning. The sales tax would have a small impact on purchases but would have a large impact for the City. George Orning showed examples on what the impact would be. A \$10.00 purchase would cost an additional 2.5 cent tax and a \$10,000 purchase would cost an additional \$25.00. City Administrator Swenson stated that the City would issue bonds to pay for the wastewater system and the bonds would be repaid with a portion of the payment coming from the sales tax and a portion from property taxes.

C. CONSENT CALENDAR - MOTION 2R-02-00 WAS MADE BY RICHARD UPTON AND SECONDED BY IRENE SCHULTZ TO TO APPROVE ALL ITEMS LISTED ON THE CONSENT CALENDAR CONSISTING OF (1) MINUTES OF SPECIAL COUNCIL MEETING OF DECEMBER 6, 1999; (2) MINUTES OF REGULAR COUNCIL MEETING OF DECEMBER 13, 1999; (3) MINUTES OF SPECIAL COUNCIL MEETING OF DECEMBER 30, 1999; (4) MINUTES OF VELVET LANE PUBLIC HEARING OF JANUARY 6, 2000; (5) MINUTES OF RABBIT LANE PUBLIC HEARING OF JANUARY 6, 2000; (6) MINUTES OF ECONOMIC DEVELOPMENT AUTHORITY/CITY COUNCIL JOINT PUBLIC HEARING OF JANUARY 6, 2000; (7) MINUTES OF REGULAR COUNCIL MEETING OF JANUARY 10, 2000; (8) MINUTES OF SPECIAL COUNCIL MEETING OF JANUARY 26, 2000; (9) TELEPHONE COMPANY FINANCIAL REPORT FOR JANUARY, 2000; (10) CABLE COMPANY FINANCIAL REPORT FOR JANUARY, 2000; (11) CITY MONTH END EXPENDITURE REPORT FOR JANUARY, 2000; AND (12) CITY MONTH END REVENUE REPORT FOR JANUARY, 2000. MOTION CARRIED WITH ALL AYES.

D. MAYOR'S REPORT – A letter dated February 1, 2000 from Max Maas announced his resignation from the Park and Recreation Commission and Mayor Swanson thanked him for his years of service and for a job well done.

Dennis Palm has agreed to serve another three-year term on the Public Works Commission and the Public Works Commission recommended Council approval on the appointment. **MOTION 02R-03-00 WAS MADE BY CHUCK MILLER AND SECONDED BY RICHARD UPTON TO APPROVE A SECOND TERM FOR DENNIS PALM ON THE PUBLIC WORKS COMMISSION. MOTION CARRIED WITH ALL AYES.**

E. CITY ADMINISTRATOR REPORT –

1. A memo dated February 8, 2000 from the Negotiating Committee recommends that the City Council approve entering into a purchase agreement for the sale of the Public Works warehouse, based on the original purchase agreement and counter offers dated January 7, 2000 and January 25, 2000, with an option that the City can lease the building back from the owner. MOTION 02R-04-00 WAS MADE BY CHUCK MILLER AND SECONDED BY RICHARD UPTON TO APPROVE ENTERING INTO A PURCHASE AGREEMENT BASED ON THE ORIGINAL PURCHASE AGREEMENT AND THE COUNTER OFFERS WITH THE UNDERSTANDING THAT THE CITY WOULD HAVE THE RIGHT TO CANCEL THE LEASE AGREEMENT UPON 30 DAYS NOTICE TO THE BUYER. City Administrator Swenson read the counter proposals which reduced the purchase price to \$74,000 with the City paying a real estate commission in an amount not to exceed \$4,000, reduced the earnest money to \$500, set a closing date of August 31, 2000, allows the City to lease the building at a cost of \$550 per month provided the City keeps property and liability insurance current, and that the City cleans up Lots 4, 5 and 6 by May 1, 2000. The two Public Works buildings have been for sale for over a year and this is the first offer that has been received on either of the buildings. The City is currently working with the County on building a Joint Maintenance Facility on the fourteen acres of property purchased by the City which will also be used for the Sewer Treatment Plant. Bruce Larson who is representing the buyer stated that the property will be used for additional land for a new thirty to forty unit hotel which is planned for the adjacent property. This property will be used as a rear access for traffic and for a place to park trailers. MOTION CARRIED WITH ALL AYES. City Attorney Sandelin and Bruce Larson will redo the purchase agreement to reflect the counter offers.
2. Liquor License Transfer – Approval was requested to transfer the existing On Sale Liquor License and Sunday Liquor License currently issued to Anthony Maucieri of Echo Ridge Supper Club to Thomas W. Hanson and Brett Peterson dba Zorbaz of Cross Lake Inc. effective May 1, 2000. MOTION 02R-05-00 WAS MADE BY CHUCK MILLER AND SECONDED BY IRENE SCHULTZ TO APPROVE THE TRANSFER OF THE ON SALE AND SUNDAY LIQUOR LICENSES TO THOMAS HANSON AND BRETT PETERSON OF ZORBAZ OF CROSS LAKE PROVIDED THE LICENSES REMAIN AT THE CURRENT LOCATION. Thomas Hanson was present at the meeting. Mayor Swanson asked him what his plans were for the current Zorbaz location and Mr. Hanson stated that offers were pending on the property. There was some discussion whether a Conditional Use Permit was required for the new location and City Attorney Sandelin will review the Ordinance with Community Development Director Paul Larson. MOTION CARRIED WITH ALL AYES.
3. The Brainerd Lakes Area Development Corporation Project Activity Reports for October, November and December, 1999 were included for Council information.
4. A letter dated February 2, 2000 included an Agreement for Professional Services between the City and BLADC for calendar year 2000. MOTION 02R-06-00

WAS MADE BY CHUCK MILLER AND SECONDED BY RICHARD UPTON TO APPROVE THE CONTRACT WITH BLADC IN THE AMOUNT OF \$1500 FOR CALENDAR YEAR 2000. MOTION CARRIED WITH ALL AYES.

5. Bills for Payment – MOTION 02R-07-00 WAS MADE BY RICHARD UPTON AND SECONDED BY IRENE SCHULTZ TO APPROVE BILLS FOR PAYMENT AS SUBMITTED IN THE AMOUNTS OF \$29,407.47 AND \$1,684.90. MOTION CARRIED WITH ALL AYES.
6. 2-08-00 Memo from City Administrator regarding 2000 Fire Contracts – MOTION 02R-08-00 WAS MADE BY RICHARD UPTON AND SECONDED BY CHUCK MILLER TO APPROVE RENEWING FIRE CONTRACTS WITH THE TOWNSHIPS OF TIMOTHY AND FAIRFIELD AND THE CITY OF MANHATTAN BEACH FOR THE PERIOD OF APRIL 1, 2000 TO MARCH 31, 2001. MOTION CARRIED WITH ALL AYES.
7. 1-11-00 Memo from Briggs and Morgan regarding establishing procedures relating to compliance with reimbursement bond regulations under the Internal Revenue Code required Council approval. Because money is being expended by the City on the sewer project, if the City at a later date, decides to issue bonds for a sewer project, a reimbursement resolution is required in order to reimburse the City for these expenses with proceeds from the bonds. MOTION 02R-09-00 WAS MADE BY CHUCK MILLER AND SECONDED BY IRENE SCHULTZ TO APPROVE RESOLUTION NO. 00-06 ESTABLISHING PROCEDURES RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE. MOTION CARRIED WITH ALL AYES.
8. County Assessor Notice of time and date of 2000 Board of Review - MOTION 02R-10-00 WAS MADE BY RICHARD UPTON AND SECONDED BY IRENE SCHULTZ TO SET THE DATE FOR THE BOARD OF REVIEW FOR THURSDAY, MAY 18, 2000 AT 10:00 A.M. MOTION CARRIED WITH ALL AYES.
9. Repurchase of Lot 3, Block 2, Gendreau Addition – City Attorney Sandelin stated that the Balmer's purchased the property from the City one and a half years ago. Under the Covenants, the property owner is required to build within one year of purchasing the property. If this does not occur, the City has the option of repurchasing the property back from the buyer at 50% of the purchase price. A closing statement was prepared to proceed with the repurchase. MOTION 02R-11-00 WAS MADE BY CHUCK MILLER AND SECONDED BY RICHARD UPTON TO RE-PURCHASE LOT 3, BLOCK 2 OF GENDREAU ADDITION FROM THE BALMERS. MOTION CARRIED WITH ALL AYES.
10. The Crosslake/Ideal Lions Club semi annual report for July 1, 1999 through December 31, 1999 was included for Council information.

11. Lakes State Bank Pledge Update for January, 2000 was included for Council information.
12. Northern National Bank Pledge Update for January, 2000 was included for Council information.
13. 11-22-99 Memo from League of Minnesota Cities regarding statutory tort liability limit increase was included for Council information.
14. 1-17-00 Letter from Briggs and Morgan stated that any balance remaining from the proceeds of the \$590,000 General Obligation Improvement Bonds Series B may be used to pay the cost of any other improvements under State Statute. This information was provided for Council information.
15. 1-18-00 Letter from Crow Wing County Agricultural Inspector regarding the 2000 annual weed meeting was included for Council information.
16. 1-28-00 Letter from Brainerd Lakes Area Chamber of Commerce regarding the Winter Chamber Auction was included for Council information.
17. An informational meeting on the Corps of Engineers Section 569 Northeastern Minnesota Authority will be held on February 24, 2000 at 10:00 A.M. in Duluth. Monetary assistance under Section 569 may be available for design and construction of wastewater treatment and water related projects in northeastern Minnesota. Mayor Swanson will be attending the meeting.

F. COMMISSION REPORTS –

1. PLANNING AND ZONING –

Mayor Swanson introduced Paul Larson as the Crosslake Community Development Director. Paul Larson stated that he was originally from Illinois and attended Augustana College majoring in geography and environmental studies. He previously worked for three years as a City/County planner in a community with a population of 13,000 people. He left that position to return to college in Indiana and then took a position with Landecker and Associates in Pequot Lakes. He stated that he missed working with a community and was happy to be offered the position in Crosslake.

- a. Minutes of the December 17, 1999 Planning and Zoning Commission Meeting were included for Council information.
- b. The January, 2000 Permit Summary showed seven permits were issued in January with a year to date valuation for January of \$473,600.
- c. Carla Backstrom reported that as of January 28th, 546 property owners were notified of the status of their onsite septic system. Approximately 74% (403 systems) were found to be conforming. Those that were inspected and found to

be nonconforming have ten months from the date of the notice to bring their system into a complying status.

- d. The Planning and Zoning Commission recommended preliminary approval for the River Place Preliminary Plat/Planned Unit Development based on payment of a 10% Park Dedication Fee of \$4,200 prior to final plat approval, submission of a title opinion to the City Attorney for review, review of the declaration and documents by the City Attorney, recording of the Association document along with the final plat and that Lot 4 remain undeveloped to meet the ordinance requirement of 50% dedicated green space. MOTION 02R-12-00 WAS MADE BY RICHARD UPTON AND SECONDED BY IRENE SCHULTZ TO APPROVE THE PRELIMINARY PLAT FOR RIVER PLACE WITH THE STIPULATIONS NOTED. MOTION CARRIED WITH ALL AYES.
- e. The Planning and Zoning Commission recommended the rezoning of Outlot A for Pine Vista from commercial to open-special protection. The final plat of Pine Vista was approved by the City Council on December 6, 1999 provided several conditions be met. One of these conditions was the rezoning of Outlot A. Ownership of Outlot A is with each owner having an undivided 1/6th interest in the property with the owners being responsible for maintenance and cleanup. This Outlot will serve as a buffer between the commercial and residential zoned property. Cutting of trees or other vegetation shall be prohibited except for removal of dead or fallen trees. MOTION 02R-13-00 WAS MADE BY RICHARD UPTON AND SECONDED BY IRENE SCHULTZ TO APPROVE THE REZONING OF OUTLOT A FOR PINE VISTA FROM COMMERCIAL TO OPEN SPECIAL PROTECTION. MOTION CARRIED WITH ALL AYES.

2. PUBLIC WORKS –

- a. 12-20-99 Minutes of Public Works Commission Meeting were included for Council information.
- b. 1-24-00 Minutes of Public Works Commission Meeting were included for Council information.
- c. Dave Reese presented an update of the Year 2000 road projects. He stated that the field work and surveying is complete and work is being done on reviewing the plans as preliminary design is being done. The Public Works Commission will review the plans and final approval will be requested of the Council in March for bid letting in April. Mayor Swanson asked when work on the ditches will be done from the 1999 road project and Dave Reese stated that when the road restrictions are lifted work will begin. Turf restoration could begin sooner.

Dave Reese stated that a meeting should be scheduled after the Public Works Commission and Sewer Committee reviews the feasibility report for Swann Drive and Pioneer Drive. A Special Council Meeting was set for March 16th at 1:00 P.M. at City Hall.

3. PUBLIC SAFETY –

- a. Chief Hartman reported that the Crosslake Police Department reported 106 calls in Crosslake and 31 calls in Mission Township in January. The 2000 squad car has been picked up and rigging will be completed on February 24th and February 25th.
- b. Fire Chief Don Henderson stated that the Fire Department responded to six calls in January with one being a mutual aid structure fire.

4. PARK AND RECREATION –

- a. Park and Recreation Director Jon Henke requested approval to contract with Donna Keiffer to provide aerobic instruction starting March 6 through April 20. The cost for the twenty-one sessions is \$463. MOTION 02R-14-00 WAS MADE BY IRENE SCHULTZ AND SECONDED BY RICHARD UPTON TO APPROVE THE AEROBICS CONTRACT WITH DONNA KEIFFER IN THE AMOUNT OF \$463. MOTION CARRIED WITH ALL AYES. The first Family Fun Day is scheduled for Sunday, February 27th from 1:00 P.M. to 3:30 P.M. at the Community Center. This activity is a family program with games, prizes, drawings, skating and sleigh or wagon rides. The Crosslake Ideal Lioness Club donated \$940.25 towards the newly installed Community Center kitchen cabinets. A second donation was received from Jim and Sallee Birkelow in the amount of \$1000 towards the Family Fun Day programs. Letters were sent out by the Park and Recreation Department requesting donations from various businesses and civic organizations to provide family orientated programs throughout the year. MOTION 02R-15-00 WAS MADE BY IRENE SCHULTZ AND SECONDED BY RICHARD UPTON TO ACCEPT WITH THANKS THE GENEROUS DONATION BY THE LIONESSE CLUB AND FROM JIM AND SALLEE BIRKELOW. MOTION CARRIED WITH ALL AYES. Bob Garin and Max Maas were thanked for their service and commitment as members of the Park and Recreation Advisory Commission. Approval was requested to purchase a used portable concession stand at a cost of \$8,750. A proposal, along with pictures of the concession stand, was included in the Council packets. In addition to the stand, approval was requested to purchase various equipment such as a popcorn machine, hot dog steamer, cooler or freezer. The stand would be used in the area of the new ball field and through the sale of popcorn, hot dogs, soft drinks and ice cream treats would generate revenue to be used to pay for umpires, uniforms and other Park and Recreation expenses. The stand could be used for other activities such as the 4th of July celebration and St. Patrick's Day parade. The cost for a license from the State Department of Health is \$130 annually. MOTION 02R-16-00 WAS MADE BY CHUCK MILLER AND SECONDED BY IRENE SCHULTZ TO APPROVE THE PURCHASE OF A CONCESSION STAND AND EQUIPMENT AT A PRICE NOT TO EXCEED \$10,000. City Administrator Swenson stated that the cost could be paid out of Park Dedication fees with a reimbursement of 50% of the cost from the "needs assessment" that the Investment Committee is compiling. MOTION CARRIED WITH ALL AYES.

5. UTILITIES –

- a. General Manager Kevin Larson presented his Highlight Report for January. He stated that the staff is researching Digital Subscriber Line (DSL) alternatives and options. This service would provide high-speed data access along with regular telephone service over a single copper pair to the home or business. The 1999 audit for telephone and cablevision was completed the week of January 17th and it was requested that a joint meeting of the Commission and City Council be held. MOTION 02R-17-00 WAS MADE BY RICHARD UPTON AND SECONDED BY CHUCK MILLER TO SCHEDULE A JOINT COMMISSION/SPECIAL COUNCIL MEETING FOR MARCH 16TH AT 9:00 A.M. AT CITY HALL. MOTION CARRIED WITH ALL AYES. A preliminary copy of the 2000 budget was presented to the Council and will be reviewed at the joint meeting. CC&I Engineering presented the final draft of the CATV upgrade plan to the Commission on February 7th. A full presentation and recommendation will be scheduled at the joint meeting. Internet service has increased to 443 subscribers, Voicemail to 225 subscribers, Crosslake Long Distance has 1315 subscribers and 282 Crosslake Travel Cards have been issued.
6. PERSONNEL – Nothing
7. LIBRARY COMMITTEE – Sandy Eliason stated that the Library Committee Meeting has been rescheduled to February 15th at 7:00 P.M. due to February 22nd being a holiday. The annual report was been sent to the Initiative Foundation detailing the annual activities of the Library Committee. A book sale is scheduled for April 14th and 15th at the Community Center with donations being accepted on April 13th. Both paperbacks and hardcover books will be accepted. A tally of the survey has been completed. Out of 6,780 surveys, there were 433 replies which is a 6.39% return. Sandy Eliason presented details that were identified in the surveys. Alden Hardwick requested approval on a grant application to the Otto Bremer Foundation. He stated that a grant was taken for professional review and a very positive response on the application was received. Suggestions received from the professional will be incorporated into future grant applications such as more detail on the returned surveys and who grants are being sent to. MOTION 02R-18-00 WAS MADE BY IRENE SCHULTZ AND SECONDED BY CHUCK MILLER TO AUTHORIZE THE SUBMISSION OF THE GRANT APPLICATION TO THE OTTO BREMER FOUNDATION. MOTION CARRIED WITH ALL AYES. Alden Hardwick stated that he has visited with Senator Samuelson regarding obtaining State funds for supporting a library in Crosslake. It was felt that this would be a good time to request funds in rural Minnesota since a lot of big requests were coming out of the Metro Area. Approval was requested from the Council to continue discussions with Senator Samuelson. MOTION 02R-19-00 WAS MADE BY RICHARD UPTON AND SECONDED BY CHUCK MILLER TO PROCEED WITH DISCUSSIONS WITH SENATOR SAMUELSON FOR FUNDING OF A LIBRARY. MOTION CARRIED WITH ALL AYES. Alden Hardwick inquired whether the Revolving Loan Fund could be used for obtaining a loan for books since the books would be owned by the Regional Library System. City Attorney Sandelin stated that a building would not qualify under RUS guidelines, however, possibly the books could be obtained under a

loan. It was the consensus of the Council that City Attorney Sandelin contact RUS and inquire as to whether a loan for books would qualify.

8. RECYCLING – Councilmember Miller reported that a total of 11.095 tons of recyclables were collected in January.
9. ECONOMIC DEVELOPMENT AUTHORITY – Nothing
10. SEWER/WATER COMMITTEE – Mark Hallan stated that he has talked to the Minnesota Pollution Control Agency and their review of the plan has not yet started. He suggested that City Administrator Swenson send a letter requesting their review of the plan. The discharge permit application will need to be submitted soon so the MPCA's review is needed.
11. OLD BUSINESS – Nothing
12. NEW BUSINESS – Nothing
13. PUBLIC FORUM – Ed Kolinski addressed the Council and inquired as to whether Crosslake Communications could implement a program like Crow Wing Power's Round Up Program where the money is used for funding projects. General Manager Larson will review the request with the Utilities Commission.

MOTION 02R-20-00 WAS MADE BY CHUCK MILLER AND SECONDED BY RICHARD UPTON TO ADJOURN THIS REGULAR COUNCIL MEETING AT 9:07 P.M. MOTION CARRIED WITH ALL AYES.

Recorded and transcribed by,

Darlene J. Roach
Deputy Clerk

Regular Council Meeting – February 14, 2000

BILLS FOR PAYMENT				
14-Feb-00				
VENDOR	CHECK #	DEPT		AMOUNT
Northern Nat'l Bank - Dump Truck Payment			Final Pay	\$4,592.76
Crow Wing Coop - electric	29327	PW		\$58.04
Crow Wing Coop - electric	29327	Gov't		\$480.00
Crow Wing Coop - electric	29327	PW		\$56.07
Crow Wing Coop - electric	29327	PW		\$15.98
Crow Wing Coop - electric	29327	Park		\$56.30
Crow Wing Coop - electric	29327	Park		\$417.98
City of Pillager - Fair Labor Stds Training - DR	29326	Adm		\$10.00
City of Pillager - Fair Labor Stds Training - BH	29326	PD		\$10.00
Registrar - On site Sewage - Paul Larson	29330	P&Z		\$670.00
Registrar - Soils Class - Dave Markgraf	29330	P&Z		\$310.00
Reed's Market - dishsoap/windex		Park		\$5.79
The Office Shop - computer paper, file folders		Adm		\$44.13
Heartland Tire - repair flat tire		PW		\$20.20
Chuck Miller - repair and replace locks		PD		\$28.00
Rohlfing - towels, tissue		PW		\$121.29
Mathias Justin - Acctg services		Adm		\$260.00
Election Systems & Software - receipt books		Adm		\$50.65
Shipman Auto Parts - cutting edges, snow coll		PW		\$223.29
Napa Auto Parts - jack		PW		\$74.54
Simonson Lumber - batteries for thermostats		Park		\$5.72
Crosslake Rolloff - recycling		Recycle		\$1,600.00
Echo Publishing - legal publishing		Adm		\$72.75
Coast to Coast - double sided key		PD		\$1.87
Simonson Lumber - wood lathe		Fire Dept		\$15.71
Simonson Lumber - brackets, shelves, pine, bolts		FD/PD		\$190.48
Simonson Lumber - lag bolts		PD		\$1.44
Simonson Lumber - lag bolts		PD		\$0.48
Simonson Lumber - sheetrock		Fire Dept		\$523.34
Simonson Lumber - 9 volt batteries		Park		\$5.72
Simonson Lumber - drywall screws		Fire Dept		\$41.38
H&L Mesabi - snow plow blades		PW		\$1,926.59
NSP - gas utilities		Park		\$582.81
NSP - gas utilities		Gov't		\$653.79
NSP - gas utilities		W House		\$92.80
NSP - gas utilities		PW		\$282.89
GLS Sports - brass plates		PD		\$12.78
Viking Coca Cola - pop		Gov't		\$32.38
Hillyard - tile and grout cleaner		Gov't		\$28.26
Crosslake Comm - telephone/fax/internet		All		\$873.17
The Office shop - towels, time cards		Gov't/Adm		\$62.55
Payroll		All		N/A
PERA		All		N/A
State Taxes		All		N/A
Federal Taxes		All		N/A
Deferred Comp		All		N/A

Medica		All		N/A
Delta Dental		All		N/A
Life Insurance		All		N/A
Child Support		All		N/A
MN Benefits - employee deduction		Adm		N/A
NCPERS Life Insurance - employee deduction		Emp Ded		N/A
Carol Roquette - reimburse flex		Emp		\$11.00
Reed's Market - towels, coffee, sugar		Gov't		\$28.33
Moonlite Square - gasoline		PD		\$393.26
Moonlite Square - gasoline		Fire Dept		\$27.16
Crosslake Auto - bearing		PW		\$18.70
Auto Value - hose, wiper blade,		PW		\$81.10
California Contractors - elect tape, ties, soder		PW		\$120.54
Starkka - gasoline		PD		\$22.09
Ace Hardware - cable ties		PW		\$24.48
Cardinal Cabinet - cabinets		Park		\$1,880.25
Rural Cellular - cellular service		PD		\$62.10
Crosslake Sheet Metal - service call		Park		\$112.50
Northwood Turf - 60" deck for 955		PW		\$2,130.00
Holiday - squad gasoline		PD		\$372.36
Heritage Flag & Banner - 3 flags		Gov't		\$121.50
The Light Depot - Park rink lights		Park		\$63.84
The Light Depot - bulbs		PW		\$127.64
Whitefish Auto - oil, filter, battery, belts, thermo		FD		\$256.36
Holiday - gasoline		FD		\$16.80
North EMS Education - 1st responder refresher		FD		\$65.00
MN State Fire School - Anderson/Frisch/Henderson/Smith		FD		\$328.00
Ace Hardware - bacterial disinfectant, cleaning		Gov't		\$26.22
Crow Wing Co - 1999 Audit Confirmation		Adm		\$10.00
Metro - black toner		Park		\$141.02
Echo Publishing - legal publishing		P&Z		\$34.38
Echo Publishing - Ordinance summary		Adm		\$2,188.00
Chief Supply - coveralls		FD		\$319.47
Ikon - maintenance charge on copier		ADM/P&Z		\$550.02
Blue Lakes Disposal - garbage		Park		\$49.73
Blue Lakes Disposal - garbage		Gov't		\$14.63
Culligan - bottled water		Gov't		\$20.29
Gammello, Sandelin & Qualley - legal		Legal		\$3,313.01
Gall's - knife, safety kit, liner for jacket, org vests		PD		\$254.88
The Office shop - mat, chair		Adm		\$264.12
The Office shop - ledger paper, ink cartridge		Adm		\$87.43
The Office Shop - ink cartridge, lead		P&Z		\$30.90
The Office Shop - board marker/eraser		Gov't		\$2.65
The Office Shop - time cards, pads,		Adm		\$19.86
The Office Shop - hiliters, solar calc, ink cartridges		P&Z		\$108.52
Honey Wagon - pump holding tanks		Fire Dept		\$75.00
Echo Publishing - public hearing notice		PW		\$19.40
North Ambulance - monthly subsidy		Amb		\$1,103.00
			TOTAL	\$29,407.47

RESOLUTION NO.00-06

RESOLUTION ESTABLISHING PROCEDURES
RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND
REGULATIONS UNDER THE INTERNAL REVENUE CODE

BE IT RESOLVED by the City Council (the "Council") of the City of Crosslake, Minnesota (the "City"), as follows:

1. Recitals.

a. The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the "Regulations"), dealing with "reimbursement bond" proceeds, being proceeds of the City's bonds used to reimburse the City for any project expenditure paid by the City prior to the time of the issuance of those bonds.

b. The Regulations generally require that the City make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment of the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

c. The City heretofore implemented procedures for compliance with the predecessor versions of the Regulations and desires to amend and supplement those procedures to ensure compliance with the Regulations.

d. The City's bond counsel has advised the City that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application to payments of City project costs first made by the City out of the proceeds of bonds issued prior to the date of such payments.

2. Official Intent Declaration. The Regulations, in the situations in which they apply, require the City to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The Council hereby authorizes the City Administrator to make the City's Declarations or to delegate from time to time that responsibility to other appropriate City

employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

a. Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the City reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

b. Each Declaration shall (1) contain a reasonably accurate description of the "project," as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

c. Care shall be taken so that the City, or its authorized representatives under this Resolution, not make Declarations in cases where the City does not reasonably expect to issue reimbursement bonds to finance the subject project costs, and the City officials are hereby authorized to consult with bond counsel to the City concerning the requirements of the Regulations and their application in particular circumstances.

d. The Council shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the City has made Declarations.

3. Reimbursement Allocations. The designated City officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the City's use of the applicable bond proceeds to reimburse the original expenditures.

4. Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the City for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Adopted this 14 day of February, 2000, by the Crosslake City Council.

EXHIBIT A

Declaration of Official Intent

The undersigned, being the duly appointed and acting City Administrator of the City of Crosslake, Minnesota (the "City"), pursuant to and for purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states and certifies on behalf of the City as follows:

1. The undersigned has been and is on the date hereof duly authorized by the Crosslake City Council to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the City.

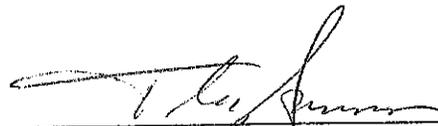
2. This Declaration relates to the following project, property or program (the "Project") and the costs thereof to be financed: Proposed wastewater infrastructure improvements for revised Phase I Area as described in the feasibility study prepared by Widseth Smith Nolting and dated October 4, 1999.

3. The City reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued by the City after the date of payment of such costs. As of the date hereof, the City reasonably expects that \$ 3,000,000 is the maximum principal amount of the Bonds which will be issued to finance the Project.

4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Regulations.

5. As of the date hereof, the statements and expectations contained in this Declaration are believed to be reasonable and accurate.

Date: February 14, 2000



City Administrator
City of Crosslake, Minnesota

CERTIFICATION

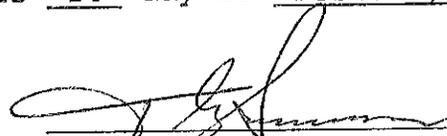
The undersigned, being the duly qualified and acting City Administrator of the City of Crosslake, Minnesota, hereby certifies the following:

The foregoing is a true and correct copy of a Resolution on file and of official, publicly available record in the offices of the City, which Resolution relates to procedures of the City for compliance with certain IRS Regulations on reimbursement bonds. Said Resolution was duly adopted by the governing body of the City (the "Council") at a regular or special meeting of the Council held on February 14, 2000. Said meeting was duly called, regularly held, open to the public, and held at the place at which meetings of the Council are regularly held. Councilmember Chuck Miller moved the adoption of the Resolution, which motion was seconded by Councilmember Irene Schultz. A vote being taken on the motion, the following members of the Council voted in favor of the motion to adopt the Resolution:

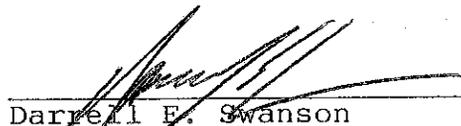
and the following voted against the same:

Whereupon said Resolution was declared duly passed and adopted. The Resolution is in full force and effect and no action has been taken by the Council which would in any way alter or amend the Resolution.

WITNESS MY HAND officially as the City Administrator of the City of Crosslake, Minnesota, this 14 day of February, 2000.



City Administrator, Thomas N. Swenson
City of Crosslake, Minnesota



Darrell E. Swanson
Mayor

RESOLUTION 00-05

RESOLUTION SUPPORTING CAMP KNUTSON GRANT LEGISLATION

WHEREAS, Camp Knutson, a program of Lutheran Social Service of Minnesota, provides camping to children with developmental disabilities, autism, severe skin disease, HIV/AIDS, and hearing impairments; and

WHEREAS, Camp Knutson provides job opportunities to members of the Crosslake Community and conducts business with a number of local vendors, and

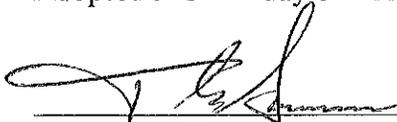
WHEREAS, on January 7, 1999 the Lutheran Social Service Board of Directors unanimously voted to renovate and expand the facilities and services at Camp Knutson, and

WHEREAS, a campaign has been undertaken to raise \$6 million dollars by 2003, of which \$3 million dollars will be placed in an endowment for future operation of the camp and \$3 million dollars will be used for infrastructure upgrades to the septic system, along with various buildings and facilities, and

WHEREAS, to date, approximately \$1.8 million dollars has been raised through private donations and grants from various foundations.

NOW THEREFORE BE IT RESOLVED THAT, The City of Crosslake supports a bill authored by Senator Don Samuelson and Representative Kris Hasskamp (see attached draft) for a one-time grant to be given to Camp Knutson for capital expenditures.

Adopted this 14th day of February, 2000.



Thomas N. Swenson
City Administrator



Darrell E. Swanson
Mayor

RESOLUTION NO. 00-04

**APPROVING AND AUTHORIZING THE ISSUANCE OF
REVENUE NOTES BY THE CITY OF BRAINERD UNDER
MINNESOTA STATUTES, SECTIONS 469.152 THROUGH
469.165, AS AMENDED, TO FINANCE PROPERTY FOR
THE BENEFIT OF LUTHERAN SOCIAL SERVICE OF
MINNESOTA**

WHEREAS, under the Minnesota Municipal Industrial Development Act, Minnesota Statutes, Sections 469.152-469.165, as amended (the "Act"), each municipality and redevelopment agency of the State of Minnesota (as defined in the Act), including the City of Brainerd, Minnesota (the "City of Brainerd"), is authorized to issue revenue obligations to finance capital equipment and improvements to land and buildings for the benefit of a revenue producing enterprise to be owned by a contracting party (as defined in the Act); and

WHEREAS, under Section 469.155, subdivision 9, of the Act, the City of Brainerd is authorized to enter into and perform contracts and agreements with other municipalities as the governing bodies of the city and as the other municipalities may deem proper and feasible for or concerning the financing of a project under the Act, including an agreement whereby one municipality issues its revenue obligations in behalf of one or more other municipalities; and

WHEREAS, the City of Brainerd, has proposed to issue one or more revenue notes (the "Notes") and loan the proceeds derived from the sale of the Notes to Lutheran Social Service of Minnesota, a nonprofit organization (the "Borrower"), to finance the acquisition of computer equipment and motor vehicles, and the acquisition and construction of improvements to existing buildings (the "Project"), to be located at the existing facilities of the Borrower in numerous municipalities in the State of Minnesota; and

WHEREAS, a portion of the Project will be located in the City of Brainerd and at the existing facilities of the Borrower in the City of Crosslake, Minnesota (the "City");

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The portion of the Project to be located in the City (as described in the Notice of Public Hearing published prior to the date of consideration of this resolution) is hereby approved by the City and the issuance of the Notes by the City of Brainerd for such purpose (in the amount described in the Notice of Public Hearing) and in an aggregate principal not to exceed \$1,800,000 is hereby approved.

2. No obligations will be issued by the City to finance any portion of the Project and the Notes to be issued by the City of Brainerd to finance the Project shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City; and the Notes, when, as, and if issued, shall recite in substance that the Notes, including the interest thereon, are payable solely from the revenues received from the Project and the property pledged to the payment thereof; and the Notes shall not constitute an obligation of the City and shall not be secured by any taxing power of the City.

3. The Borrower shall pay any and all costs incurred by the City in connection with the portion of the Project located in the City, whether or not the Project is approved, the Notes are issued, or the Project is carried to completion.

Adopted by the Council this 14th day of February, 2000



Darrell E. Swanson
Mayor



Thomas N. Swenson
City Administrator

I, Darlene J. Roach, the Deputy Clerk for the City of Crosslake do hereby certify that Resolution No. 00-04 "Approving and Authorizing the Issuance of Revenue Notes by the City of Brainerd under Minnesota Statutes, Sections 469.152 through 468.165, as amended, to finance property for the Benefit of Lutheran Social Service of Minnesota" as approved by the Crosslake City Council on February 14, 2000 is a true and correct copy.



Darlene J. Roach
Deputy Clerk
City of Crosslake