

**REGULAR COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, MARCH 9, 1998
7:00 P.M. – CITY HALL**

The Council for the City of Crosslake met in the Council Chambers of City Hall on Monday, March 9, 1998. The following Councilmembers were present: Mayor Robert Scott, Donna Keiffer, Charles Miller and Richard Upton. Absent was Raymond Smyth. Also present was City Administrator Thomas Swenson, City Attorney Paul Sandelin, Deputy Clerk Darlene Roach, Reporters Christine Dufour and Tom Waller and Armond Gease videotaping the meeting. There were approximately 11 individuals in the audience.

Mayor Scott called the meeting to order 7:00 P.M.

CRITICAL ISSUES – None

CONSENT CALENDAR – MOTION 03R-01-98 WAS MADE BY RICHARD UPTON AND SECONDED BY DONNA KEIFFER TO APPROVE ALL ITEMS ON THE CONSENT CALENDAR CONSISTING OF: (1) MINUTES OF JANUARY 14, 1998 PUBLIC HEARING; (2) MINUTES OF FEBRUARY 9, 1998 REGULAR COUNCIL MEETING; (3) MINUTES OF FEBRUARY 24, 1998 SPECIAL COUNCIL MEETING; (4) TELEPHONE COMPANY FINANCIAL REPORT FOR JANUARY, 1998; (5) CABLE COMPANY FINANCIAL REPORT FOR JANUARY, 1998; (6) CITY MONTH END EXPENDITURE REPORT FOR JANUARY, 1998; AND (7) CITY MONTH END REVENUE REPORT FOR JANUARY, 1998. MOTION CARRIED WITH ONE VOTE ABSENT.

MAYOR'S REPORT – Mayor Scott commented that the Park and Recreation Commission and Public Works Commission is looking for individuals who would be willing to volunteer their time to serve on these commissions. Interested persons should contact City Hall.

Mayor Scott reported on a meeting he had attended in early March at the State Capitol. Some of the topics debated in the legislative sessions during his attendance included use of snowmobile studs, restrictions on personal water craft, collection of sales tax on City purchases and levy limits.

CITY ADMINISTRATOR REPORT –

1. Bills for Payment - **MOTION 03R-02-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER TO APPROVE ALL BILLS FOR PAYMENT AS SUBMITTED IN THE AMOUNTS OF \$21,881.77 AND \$7,498.05. MOTION CARRIED WITH ONE VOTE ABSENT.**

2. American Legion Gambling Permit – MOTION 03R-03-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER TO APPROVE RESOLUTION 98-06 RENEWING THE GAMBLING PERMIT FOR AMERICAN LEGION POST 500. MOTION CARRIED WITH ONE VOTE ABSENT.

3. Aerial Photo of City -- Quotes for an aerial photograph of the City were obtained from Horizon Inc. and Markhurd. It was the recommendation of City Administrator Tom Swenson and General Manager Kevin Larson to obtain the services of Horizon Inc. at a cost of \$1600 for the flight plus \$1900 for the first large mosaic print and \$1500.00 for a second mosaic print. The mosaic prints would be 72"x84" with one inch representing every 500 feet. The cost would be shared between the Telephone Company and various departments within the City. The City would own the negative so any additional photographs could be purchased by individuals or businesses for \$250 over cost. MOTION 03R-04-98 WAS MADE BY DONNA KEIFFER AND SECONDED BY RICHARD UPTON TO APPROVE THE PURCHASE OF TWO (2) AERIAL PHOTOGRAPHS OF THE CITY AT A TOTAL COST OF \$5000 AND TO CHARGE \$250.00 OVER COST FOR THE PURCHASE OF ANY ADDITIONAL PHOTOGRAPHS SOLD TO INDIVIDUALS OR BUSINESSES. MOTION CARRIED WITH ONE VOTE ABSENT.

4. Memo from City Administrator and Telephone Company Manager regarding Labor Study Grant Application – Approval was requested to apply for a grant from the Central Minnesota Initiative Fund in the amount of \$2500 for use in conducting a labor pool availability study. This study would provide needed information for companies showing an interest in locating in the area. MOTION 03R-05-98 WAS MADE BY DONNA KEIFFER AND SECONDED BY RICHARD UPTON TO GIVE APPROVAL TO THE CITY ADMINISTRATOR AND GENERAL MANAGER TO APPLY FOR A \$2500 GRANT FROM CENTRAL MINNESOTA INITIATIVE FUND FOR A LABOR STUDY. MOTION CARRIED WITH ONE VOTE ABSENT.

5. Memo from City Administrator regarding Utilities Commission Appointments – At the December 10, 1997 Special Council Meeting, several motions were made dealing with appointments to the Utilities Commission. Two of the motions made referred to "preliminary" approval for the appointments. It was requested that final approval be given to appoint Jay Andolshek and Helen Fraser to the Utilities Commission. MOTION 03R-06-98 WAS MADE BY RICHARD UPTON AND SECONDED BY CHUCK MILLER TO APPROVE THE APPOINTMENT OF JAY ANDOLSHEK TO A SECOND THREE YEAR TERM AND TO APPOINT HELEN FRASER TO FILL THE FINAL YEAR OF DOROTHY ALLEN'S SECOND TERM ON THE UTILITIES COMMISSION. MOTION CARRIED WITH MAYOR SCOTT OPPOSED AND ONE VOTE ABSENT.

Mayor Scott stated that he was opposed due to a possible conflict of interest with one of the individuals. The City Attorney commented that in the case of a possible conflict of interest, the member should abstain from voting on the conflict issue, however, this does not prevent someone from serving on a Commission.

6. Notice from the Office of County Assessor – The annual Board of Review will be held on Thursday, May 14, 1998 at 10:00 A.M. at City Hall. The notice will be posted at City Hall and published in the Lake Country Echo.
7. A letter from Northern National Bank regarding the amount of pledged collateral was included for Council information only.
8. The Notice of Hearing on Improvement for Wilderness Trail published in the March 12th and March 19th issues of the Lake Country Echo was included for Council information only.
9. Minutes of the January 8, 1998 meeting of the Crosslake Area Chamber of Commerce was included for Council information.
10. A memo from the Minnesota Association of Small Cities dated February 23, 1998 was included for Council information.
11. The January publication of The Ehlers Advisor was included for Council information.
12. City Administrator Tom Swenson requested that the Council accept the donation of the Compaq Computer recently purchased by the Crosslake Fire Department. MOTION 03R-07-98 WAS MADE BY DONNA KEIFFER AND SECONDED BY CHUCK MILLER TO ACCEPT THE DONATION OF A COMPAQ COMPUTER TO THE CITY BY THE CROSSLAKE FIRE DEPARTMENT. MOTION CARRIED WITH ONE VOTE ABSENT.
13. City Administrator Tom Swenson and General Manager Kevin Larson requested Council approval to adopt a cafeteria/flexible reimbursement account for employees with limits on participation. There was some discussion as to cost of implementing the plan and how many employees would participate in the program. Kevin Larson stated that it would be management's responsibility to inform the City and Telephone Company employees of the benefits and risks associated with the program. The employees would be able to deduct various health care and dependent care expenses pre-tax. The benefit to the City would be in not having to pay the matching medicare and social security taxes on the deducted amount.

MOTION 03R-08-98 WAS MADE BY RICHARD UPTON AND SECONDED BY CHUCK MILLER TO APPROVE ESTABLISHING A FLEXIBLE REIMBURSEMENT ACCOUNT WITH A MAXIMUM AMOUNT OF \$1500 FOR HEALTH CARE EXPENSES AND \$5000 FOR ELIGIBLE DEPENDENT EXPENSES. MOTION CARRIED WITH ONE VOTE ABSENT.

14. Letter from Pine River/Backus Grad Blast Committee regarding 1998 Graduation Party. MOTION 03R-09-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER TO DONATE \$100 TO THE PINE RIVER/BACKUS GRAD BLAST. MOTION CARRIED WITH ONE VOTE ABSENT.
15. Memo from City Administrator regarding quotations for floor covering in kitchen and meeting room – Quotations were received from Becker's Floor Covering and J & M Floors to install vinyl flooring in the kitchen and carpet in the meeting room of the Emergency Services Center. MOTION 03R-10-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER TO APPROVE J & M FLOORS INSTALLING VINYL IN THE KITCHEN AREA AND 24 OZ CARPET IN THE MEETING ROOM AREA AT A COST OF \$1192 INCLUDING LABOR, TAX AND SHIPPING CHARGES. MOTION CARRIED WITH ONE VOTE ABSENT.

COMMISSION REPORTS

1. **Planning and Zoning** - The Planning and Zoning Commission requested Council approval on a rezoning request by Steve and Nicole Peterson for 40 acres of land adjoining County Road #103 from low density residential to rural residential. MOTION 03R-11-98 WAS MADE BY RICHARD UPTON AND SECONDED BY CHUCK MILLER TO APPROVE REZONING REQUEST 98-01 FOR STEVE AND NICOLE PETERSON TO RURAL RESIDENTIAL BASED ON CRITERIA ESTABLISHED IN THE ORDINANCE. MOTION CARRIED WITH ONE VOTE ABSENT.

The Crosslake Area Chamber of Commerce requested approval to erect a community event sign in the downtown parking lot owned by the County at the intersection of County Road 3 and 66. The sign would be erected in the area where the flowerpots are located and where the vendor's vegetable stands are located. If approved, the sign would be 9 ½ feet in height and located 10' from the curb. There was some discussion among the Council regarding the potential for a traffic hazard at the requested location. Some of the Council commented that possibly a safer location would be the Chamber property on County Road #3.

MOTION 03R-12-98 WAS MADE BY RICHARD UPTON AND SECONDED BY DONNA KEIFFER TO SUPPORT THE CHAMBER OF COMMERCE'S SIGN APPLICATION AS REQUESTED. MOTION DID NOT PASS WITH KEIFFER AND MILLER OPPOSED AND ONE VOTE ABSENT.

It was noted that the Planning and Zoning Commission meetings will be scheduled for the third Friday of each month at 9:00 A.M. at City Hall.

2. **LONG RANGE CAPITAL PLANNING** – City Administrator Tom Swenson read a motion passed by the Long Range Capital Planning Commission supporting the concept of a public library in Crosslake. It was the Commission's recommendation that the City Council move forward by establishing a committee to work on establishing a public library. MOTION 03R-13-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER TO ESTABLISH A COMMITTEE OF NO MORE THAN 5 INDIVIDUALS APPOINTED BY THE MAYOR TO INVESTIGATE THE PROCEDURES FOR ESTABLISHING A LIBRARY AND TO BRING INFORMATION BACK TO THE COUNCIL. MOTION CARRIED WITH ONE VOTE ABSENT.
3. **PARK AND RECREATION** – Rob Larson commented that both a regular and alternate member are needed for the Park and Recreation Commission.

Rob Larson requested approval to give City Administrator Tom Swenson the authority to sign an agreement with the University of Minnesota Extension Service to utilize the Crosslake Community Center for a shooting sports program. The City's insurance agent has been contacted and a satisfactory insurance agreement has been made with the University to cover the City's liability. The University will add the City as an additional insured and will cover defense costs. This after school program for children ages 8 to 12 will begin March 23rd and continue through April 20th. MOTION 03R-14-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER AUTHORIZING THE CITY ADMINISTRATOR TO SIGN AN AGREEMENT WITH THE UNIVERSITY OF MINNESOTA EXTENSION SERVICE TO UTILIZE THE CROSSLAKE COMMUNITY CENTER FOR A SHOOTING SPORTS PROGRAM. MOTION CARRIED WITH ONE VOTE ABSENT.

MOTION 03R-15-98 WAS MADE BY DONNA KEIFFER AND SECONDED BY RICHARD UPTON TO ACCEPT WITH APPRECIATION THE DONATION OF A COMPUTER DESK AND FILE CABINET FROM MR. JIM REYNOLDS. MOTION CARRIED WITH ONE VOTE ABSENT.

4. **PUBLIC SAFETY** – Councilmember Keiffer reported that the Police Department responded to 66 calls in Crosslake and 13 in Mission Township in February. The Fire Department reported ten medical emergency calls and one structure fire in February. A letter received from Crow Wing Power Community Trust was read by Councilmember Keiffer. Included with the letter was a donation in the amount of \$1000 to use toward the purchase of a defibrillator for one of the squad cars. MOTION 03R-16-98 WAS MADE BY DONNA KEIFFER AND SECONDED BY RICHARD UPTON TO ACCEPT WITH THANKS AND APPRECIATION A CHECK IN THE AMOUNT OF \$1000 FROM CROW WING POWER COMMUNITY TRUST TOWARDS THE PURCHASE OF A DEFIBRILLATOR. MOTION CARRIED WITH ONE VOTE ABSENT.
5. **PUBLIC WORKS** – Councilmember Miller complimented the Public Works Department on a letter received complimenting the employees on this winter's snow plowing efforts. He also commented that they did a good job on the remodeling work at City Hall.

A letter to County Engineer Duane Blanck from Councilmember Richard Upton regarding the deterioration of County Road #103 was discussed. Dr. Upton commented that the letter was his annual plea for upgrade and repair to the road. He stated that the County's five-year plan currently does not include any maintenance for County Road #103. Armond Gease addressed the Council and echoed the concerns of Dr. Upton. The Council suggested that other residents write letters to the County Board and Duane Blanck.

On February 13, 1998 a letter was received from the Minnesota Department of Natural Resources stating that the City's request for a right-of-way easement for Wolf Trail and Greer Lake Road was approved and would be issued upon payment of \$19,655.10 to the DNR. It was the recommendation of the City Engineer that the City defer any action on the DNR's request for compensation until all outstanding issues are resolved. WSN will follow-up with the DNR.

Jean Starkka addressed the Council and expressed her concern with the amount of lakeshore the City is taking from her for right-of-way along Wilderness Trail Road. She felt the compensation given her for the purchase of right-of-way did not take into account lakeshore but was based on acreage. She has met with the City Engineer and was under the impression that the right-of-way being purchased extended down into the lake leaving her with 23' of lakeshore access. The City Attorney stated that the survey has not changed since the deed was signed by Ms. Starkka. The Mayor suggested that a meeting be held with Jean Starkka, the City Engineer, Chuck Miller, Richard Upton and Tom Swenson to determine where the road will be located.

UTILITIES - Kevin Larson commented on the joint meeting that was held with the Council and the Utilities Commission to review the audit, which showed the company financially strong. He thanked his employees for the work they had done to prepare for and complete the audit.

The Utilities Commission requested approval to establish a line of credit with the St. Paul Bank of Cooperatives. The Telephone Company would then be able to borrow the approximately \$150,000 to \$200,000 needed to complete the work identified in the five year plan. MOTION 03R-16-98 WAS MADE BY RICHARD UPTON AND SECONDED BY DONNA KEIFFER TO AUTHORIZE THE ESTABLISHING OF A LINE OF CREDIT WITH ST. PAUL BANK OF COOPERATIVES. MOTION CARRIED WITH ONE VOTE ABSENT.

The Utilities Commission requested approval to purchase Internet service through an agreement with Emily Cooperative Telephone. In turn, modems and servers that are currently jointly owned by Emily Cooperative, Consolidated Telephone and Crosslake Telephone would be sold to Emily Cooperative. Crosslake Telephone's equipment value is \$11,500. Under the agreement, either party could terminate the contract upon 90 days notice. MOTION 03R-17-98 WAS MADE BY RICHARD UPTON AND SECONDED BY CHARLES MILLER TO APPROVE EXECUTING AN AGREEMENT WITH EMILY COOPERATIVE TELEPHONE FOR INTERNET SERVICES AS PRESENTED. MOTION CARRIED WITH ONE VOTE ABSENT.

Kevin Larson reported that he and City Administrator, Tom Swenson, are continuing work on reviewing the Utilities Commission Policy. The Mayor requested that he be included in these meetings.

An update on the Rural Utilities Service loan application indicated that a reply should be forthcoming in the next one to two weeks.

PERSONNEL - Nothing

RECYCLING - A total of 7.45 tons of material was recycled in February for a year to date total of 15.70 tons.

ECONOMIC DEVELOPMENT AUTHORITY - Nothing

OLD BUSINESS - Nothing

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NEW BUSINESS - Kelly Miller was present to represent the Range Bass Masters, a group of bass fisherman who will be holding a tournament September 10th and September 11th, on the Whitefish Chain. He requested Council support via a letter to the organization which will be published in a booklet being prepared by the Organization. MOTION 03R-18-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER TO APPROVE SENDING A LETTER OF SUPPORT TO THE ORGANIZATION. MOTION CARRIED WITH ONE VOTE ABSENT.

PUBLIC FORUM - Nothing

MOTION 03R-19-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER TO ADJOURN THIS REGULAR MEETING AT 8:59 P.M. MOTION CARRIED WITH ONE VOTE ABSENT.

Recorded and transcribed by:



Darlene J. Roach
Deputy Clerk

BILLS FOR PAYMENT				
MARCH				
			PD WITH	
VENDOR		DEPT	CHECK #	AMOUNT
Crosslake Rolloff		Recycle		\$1,500.00
North Ambulance - subsidy		Amb		\$1,103.00
Allyson Stevie - City Hall Cleaning		Govt		\$240.00
Crosslake Telephone - Rea Loan				\$925.93
Great West Life & Annuity - Def Comp 3/4 & 3/25		All		\$360.00
PERA - March 4 & March 25 Payroll		All		Unknown
State Witholding - March 4 & March 25 Payroll		All		Unknown
FWT, Soc Security, Medicare		All		Unknown
MN Mutual - city paid life insurance		All		\$184.00
Delta Dental - April premium		All		\$722.90
Brd National Bank - Payroll Svgs		All		\$230.00
Northern National Bank - Payroll Svgs		All		\$50.00
Council #65 - Union dues		All		\$214.65
MN Mutual - Deferred Comp		Adm		\$120.00
MN State Retirement - Deferred Comp		Adm		\$60.00
MN Benefit Assoc - insurance		Adm		\$78.48
Medical - Medical insurance		All		\$3,750.63
Rural Cellular - cell phone		PD		\$34.55
NSP - gas utilities		Govt		\$374.98
NSP - gas utilities		PW		\$179.77
NSP - gas utilities		Comm Ctr		\$282.02
Uniform Unlimited - equip for '98 squad		PD		\$417.22
Build All Lumber - file room lumber/supplies		Govt		\$370.60
Build All Lumber - Dbolt, misc		PW		\$53.58
National Propane - propane		PW		\$402.09
Crow Wing Coop - ESC		Govt		\$477.00
Sherwin Williams - Paint for file room		Govt		\$15.84
Simonson Lumber - gutter cable, sheetrock, misc		Govt		\$669.65
Simonson Lumber - misc		Fire		\$51.09
Crosslake Telephone - phone bill		All		\$663.29
Pat Hoag - travel expenses - 2 conferences		PW		\$123.87
Pine River Oil - Gasoline & diesel		PW		\$665.53
Office Shop - Binders		P&Z		\$12.76
Ace Hardware - snow scoop, roof cable, deicer		Govt		\$159.25
Coast to Coast - deicer tape, heat tape, irons, staples		Govt&PW		\$123.67
Britt Enterprise - pressure washer parts		PW		\$28.34
LMC - diretory of MN city officials		Adm		\$31.32
Crow Wing Coop - Warming House		Park		\$175.87
Crow Wing Coop - Comm Ctr		Park		\$366.22
Crow Wing Coop - Warehouse		PW		\$36.51
Viking Coke - City Hall pop		Govt		\$23.00
Blue Lakes Disposal - Comm Ctr		Park		\$49.73
Blue Lakes Disposal - Garage		PW		\$29.26
Office Shop - Binders		Fire		\$63.69
Office Shop - Calc paper		Adm		\$6.26
Gammello - Retainer		Legal		\$600.00
Office Shop - minute paper, staples, lead, timecards		Adm		\$60.80

City of Crosslake

HC 83, BOX 203
CROW WING COUNTY
CROSSLAKE, MINNESOTA 56442

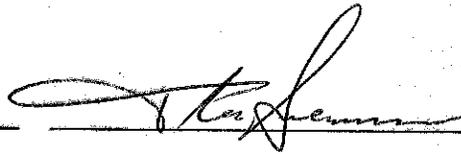
RESOLUTION NO. 98-06

CITY OF CROSSLAKE, MINNESOTA

The Crosslake City Council, at its March 9, 1998, Regular Council Meeting, approved by Motion 03R-03-98, a Resolution to renew the Charitable Gambling Permit for the American Legion Post 500, Crosslake, Minnesota, for the period of July 1, 1998 to June 30, 2000.



Mayor



City Administrator

PROCLAMATION

WHEREAS: The American Legion Auxiliary, the Veterans of Foreign Wars, and the Veterans of Foreign Wars Auxiliary have adopted the Poppy as their commemorative symbol; and

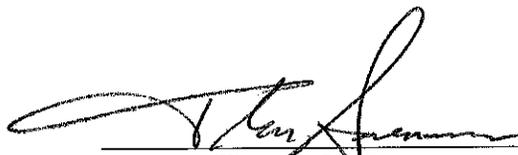
WHEREAS; The American Poppy, assembled by disabled veterans, pays respectful tribute to those killed in war, and also benefits living veterans and their families; and

WHEREAS; Public donations for poppy fund rehabilitation programs within the community that benefit veterans, their families and ultimately our state and nation;

NOW, THEREFORE, I, Bob Scott, Mayor of the City of Crosslake, Minnesota, do hereby proclaim Friday and Saturday, May 8th and 9th, 1998 as Poppy Days in the City of Crosslake. Further, I urge citizens to wear a memorial Poppy as a symbol of their deep appreciation for the services rendered by our nation's veterans.



Bob Scott
Mayor



Thomas N. Swenson
City Administrator