

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
FRIDAY, APRIL 21, 2006
1:00 P.M. – CITY HALL

Pursuant to due notice and call, the Council for the City of Crosslake met in a special session on Friday, April 21, 2006 at 1:00 P.M. The following Councilmember's were present: Mayor Jay Andolshek, Terry Curtis, Dean Eggena and Dick Phillips. Councilmember Dean Swanson was absent. Also present was City Administrator Tom Swenson and Clerk/Treasurer Darlene Roach. There were three individuals in the audience.

Mayor Andolshek called the meeting to order at 1:00 P.M.

A memo dated April 20, 2006 from Clerk Roach requested review and approval of the transfer of the Off Sale/On Sale/Sunday and 2 A.M. Closing Liquor Licenses from the Valere Group, Inc. (dba The New Exchange) to the Log Jam Bar and Grill, Inc. Paul Nelson has signed a purchase agreement indicating his intent to purchase The New Exchange from Frank and Valere Byerly. The closing is scheduled for Monday, May 1, 2006. All appropriate Minnesota Department of Public Safety Alcohol and Gambling Enforcement documents and City of Crosslake documents have been completed and provided to the City along with a pro-rated check for the license fees for the period of May 1, 2006 through June 30, 2006. Staff has conducted a background investigation and financial investigation as required under the City's Ordinance and as provided for under MN Statute 340A.412, Subd 2. These investigations resulted in satisfactory findings.

The seller has requested a continuance of their license until such time as the closing is complete and Liquor Control approves the transfer.

It was the recommendation of Clerk Roach that the Council approve the transfer of the aforementioned licenses contingent on successful closing on the property and proof of workers compensation insurance. (It should be noted that the workers compensation insurance was received via fax while the Council Meeting was in session.) MOTION 04S1-01-06 WAS MADE BY DEAN EGGENA AND SECONDED BY TERRY CURTIS TO APPROVE THE TRANSFER OF THE OFF SALE/ON SALE/SUNDAY AND 2 A.M. CLOSING LIQUOR LICENSES FROM VALERE GROUP INC. (THE NEW EXCHANGE) TO THE LOG JAM BAR AND GRILL (PAUL NELSON) CONTINGENT UPON SUCCESSFUL CLOSING ON THE PROPERTY AND FINAL APPROVAL BY LIQUOR CONTROL. MOTION CARRIED WITH ALL AYES.

A memo dated April 19, 2006 from the Personnel Committee established the pay scale for the Park Maintenance/Equipment Operator position and requested approval for Terry Kinkaid to move into the newly created position on Step 7 of the Union Pay Scale. Councilmember Phillips commented that it was at the Union's request that the newly created position not be posted or advertised for. Labor Attorney Steve Fecker will prepare a Letter of Understanding for signature by the City and AFSCME. MOTION 04S1-02-06 WAS MADE BY DEAN EGGENA AND SECONDED BY JAY ANDOLSHEK TO ESTABLISH THE PAY SCALE FOR THE PARK MAINTENANCE/EQUIPMENT OPERATOR POSITION AS RECOMMENDED AND

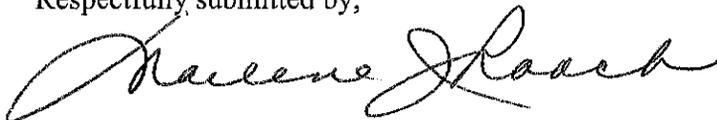
FOR TERRY KINKAID TO FILL THE POSITION EFFECTIVE APRIL 24, 2006 ON
STEP 7 OF THE UNION PAY SCALE CONTINGENT ON EXECUTION OF THE
LETTER OF UNDERSTANDING. MOTION CARRIED WITH ALL AYES.

An email dated April 19th from City Engineer Dave Reese referenced a request by the City Council to set a special meeting to review preliminary road plans prior to the May 8th regular meeting. WSN will have plans available by May 1st for review at a special meeting. Due to advertising deadlines, if the Council is comfortable authorizing the advertising for bids at this meeting, Staff could proceed and one to two weeks would be gained in advertising. It was noted that the advertisement for bids must be published for three weeks. If for whatever reason, the project resolutions are not approved, the ads could be pulled for subsequent weeks. Reese felt that with the price of oil continuing to climb, one week could make a difference in the bid pricing. A special meeting was set by the Council for May 1st at 8:30 A.M. at City Hall.

Bills for Approval – MOTION 04S1-03-06 WAS MADE BY DEAN EGGENA AND
SECONDED BY TERRY CURTIS TO APPROVE THE BILLS FOR PAYMENT IN
THE AMOUNT OF \$94,035.46. MOTION CARRIED WITH ALL AYES.

MOTION 04S1-04-06 WAS MADE BY DICK PHILLIPS AND SECONDED BY
TERRY CURTIS TO ADJOURN THIS SPECIAL COUNCIL MEETING AT 1:12 P.M.
MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,



Darlene J. Roach
Clerk/Treasurer

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