

REGULAR COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, MAY 9, 2005
7:00 P.M. – CITY HALL

The Council for the City of Crosslake met in the Council Chambers of City Hall on Monday, May 9, 2005. The following Council Members were present: Terry Curtis, Dean Eggena, Dick Phillips and Dean Swanson. Mayor Jay Andolshek was absent. Also present was City Administrator Thomas N. Swenson, Community Development Director Ken Anderson, City Attorney Kirk Adams, City Engineer Dave Reese, Park and Recreation Director Jon Henke, Police Sergeant Erik Lee, Operations Manager Jared Johnson, Public Works Director Ted Strand, Clerk/Treasurer Darlene Roach, Lake Country Echo Reporter Brian Clapper and Renee Richardson of the Brainerd Dispatch. There were approximately 30 citizens in the audience in addition to Staff.

A. CALL TO ORDER- Acting Mayor Phillips called the Regular Council Meeting to order at 7:00 P.M. Discussion ensued regarding three of the items that were listed as additions to the agenda under the Planning and Zoning section. Councilmember Swanson stated that he only received this information minutes before the start of the meeting and does not feel there is sufficient time to review the information. Councilmember Curtis stated that he would prefer to proceed with the additions and if necessary table the issue if necessary. **MOTION WAS MADE BY DEAN SWANSON THAT THE ADDITION OF BILLS FOR APPROVAL BE ACCEPTED AS AN ADDITION BUT THAT THE OTHER THREE ITEMS BE DEFERRED TO THE JUNE MEETING. MOTION FAILED FOR LACK OF A SECOND.**

MOTION 05R-01-05 WAS MADE BY DEAN EGGENA AND SECONDED BY TERRY CURTIS TO APPROVE THE ADDITIONS TO THE AGENDA AS PRESENTED. Councilmember Swanson noted that at the last meeting Councilmember Curtis expressed concern over the late submission of items but now is disagreeing with him on the same issue. Councilmember Curtis stated that he feels the Council should try and review the items and could table if necessary. MOTION CARRIED 3-1 WITH COUNCILMEMBER SWANSON VOTING NAY.

B. CRITICAL ISSUES – None

C. CONSENT CALENDAR – Acting Mayor Phillips noted that there were five sets of minutes before the Council and asked if these minutes get approved as submitted whether they become the official document of the city. City Administrator Swenson stated that the minutes are the legal document of proceedings of the meetings, however the meeting tapes are also retained by the City and could be subpoenaed as a record of a meeting. Councilmember Phillips asked if there was something in the minutes that a Councilmember disapproved of, could they not be approved. Councilmember Curtis stated that if there is something noted in the minutes that is incorrect or not the intent of the Council, it can be amended prior to the Council approving the minutes. MOTION 05R-02-05 WAS MADE BY DEAN EGGENA AND SECONDED BY TERRY CURTIS

TO APPROVE THE FOLLOWING ITEMS LISTED ON THE CONSENT CALENDAR CONSISTING OF: (1.) MINUTES OF REGULAR COUNCIL MEETING AND PUBLIC HEARING MINUTES OF APRIL 11, 2005 WITH A CORRECTION ON PAGE 11 TO READ "COUNCILMEMBER CURTIS STATED THAT CONVERSATIONS HAVE BEEN HELD WHERE IF THE PINS "WERE NOT" CLEARLY MARKED, SURVEYS SHOULD BE REQUIRED."; (2.) MINUTES OF SPECIAL COUNCIL MEETING OF APRIL 15, 2005; (3.) MINUTES OF SPECIAL COUNCIL MEETING OF APRIL 21, 2005 WITH A CORRECTION ON PAGE 4 TO READ "EGGENA STATED THAT HE DID ATTEND "SEVERAL" COUNCIL MEETINGS AT THAT TIME AND IT WAS THE INTENT OF THE COUNCIL THAT NO NEW LANDFILLS WOULD BE ALLOWED." (4.) SPECIAL COUNCIL MEETING MINUTES OF APRIL 26, 2005; (5.) SPECIAL COUNCIL MEETING MINUTES OF APRIL 28, 2005; (6.) CROSSLAKE COMMUNICATIONS BALANCE SHEET AND INVESTMENT/CASH SUMMARY DATED MARCH 31, 2005; (7.) CITY MONTH END REVENUE REPORT DATED MARCH 2005; (8.) CITY MONTH END EXPENDITURE REPORT DATED MARCH 2005; (9.) LAKES STATE BANK PLEDGE REPORT DATED APRIL 2005; (10.) LAKEWOOD BANK PLEDGE REPORT DATED APRIL 2005; AND (11.) NORTHERN NATIONAL BANK PLEDGE REPORT DATED APRIL 2005. MOTION CARRIED WITH ALL AYES.

D. PUBLIC FORUM – Dick Dietz, resident on Manhattan Drive in Crosslake, addressed the Council and read a prepared statement regarding the video taping of regular and special meetings. These comments were prepared as the result of a special meeting held on April 21st where the audience was led to believe that discussion on the landfill had concluded only to find out later that after the break, when the audience had left the meeting, discussion continued on this issue for another hour. Mr. Dietz implored the Council to take action regarding the landfill by enforcing the CUP. He also thanked the Council for allowing him to express his thoughts regarding the televising of meetings.

Dean Spencer, resident of Pine View Lane in Crosslake addressed the Council and stated that he had some of the same comments to express as Mr. Dietz. He stated that the current system requires that the television be turned up as loud as it can go in order to be heard and he too would like to see the meetings televised since most people work during the week and can't attend meetings. Mr. Spencer stated that he would like to receive a \$2,000 donation for his road the same as the Chamber is requesting for their building. Councilmember Curtis stated that the televising of meetings has been discussed previously and he has spoken in great lengths with City Administrator Swenson regarding this issue. Swenson stated that the City has \$6600 in the budget for upgrading the audio/video system and with that small of amount the City is not going to get a lot. Swenson stated that all we've been doing is putting band aids on an old system and when we do it, we should do it right. Councilmember Curtis asked if we could televise meetings with what we have today and asked what gets broadcast and what doesn't. After some discussion it was agreed that the issue will be reviewed at another meeting.

E. MAYOR'S REPORT – Nothing

F. CITY ADMINISTRATOR REPORT –

1. City Bills for Approval – MOTION 05R-03-05 WAS MADE BY DEAN SWANSON AND SECONDED BY DEAN EGGENA TO APPROVE THE BILLS FOR PAYMENT AS SUBMITTED IN THE AMOUNTS OF \$45,451.15 AND \$116,244.03. MOTION CARRIED WITH ALL AYES.
2. Crosslake Communications Bills for Approval – MOTION 05R-04-05 WAS MADE BY DEAN EGGENA AND SECONDED BY DEAN SWANSON TO APPROVE BILLS FOR PAYMENT FOR CROSSLAKE COMMUNICATIONS FOR THE PERIOD OF APRIL 1, 2005 THROUGH APRIL 30, 2005. MOTION CARRIED WITH ALL AYES.
3. Sid Inman of Ehlers & Associates addressed the Council and requested approval of a resolution calling for a public hearing regarding the creation of TIF District 1-9 for an assisted living facility. A public hearing would be the first action required in establishing a district. Ehlers & Associates will notify the County and the appropriate school district, identify the location of the district and term of the plan. Ehlers has met with the developer to determine the amount of TIF financing required by the developer. This project would be considered a Housing District development under TIF. MOTION 05R-05-05 WAS MADE BY DEAN EGGENA AND SECONDED BY DEAN SWANSON TO APPROVE RESOLUTION NO. 05-09 CALLING FOR A PUBLIC HEARING BY THE CITY COUNCIL ON THE PROPOSED ADOPTION OF A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1 AND THE PROPOSED ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 1-9 THEREIN AND THE ADOPTION OF THE TAX INCREMENT FINANCING PLAN THEREFOR. MOTION CARRIED WITH ALL AYES.
4. A list of donations covering the period of April 1, 2004 through March 31, 2005 was received from the Central Lakes Youth Hockey Association showing how gambling funds were dispersed. This information was provided for Council information.
5. A letter dated April 27, 2005 from the League of Minnesota Cities included an invitation to the League's 2005 Regional Meetings and was included for Council information.
6. A letter dated May 2, 2005 from the County Assessor regarding information pertaining to the Local Boards of Appeal and Equalization was included for Council information. The public was reminded that the local Board of Review will be held on May 17th at 10:00 A.M. at City Hall.

G. COMMISSION/DEPARTMENT REPORTS –

1. ECONOMIC DEVELOPMENT AUTHORITY – Nothing
2. PUBLIC SAFETY - Chief Hartman reported 92 calls in Crosslake and 33 calls in Mission Township in April. A memo dated May 9, 2005 from Chief Hartman requested approval to enter into an agreement with the City of Minneapolis for access to a computerized pawn shop records system. This system is set up so that police departments connected to the APS can query the system and obtain a print out of all items pawned within the past several weeks. Checks can be made by suspect name, stolen or missing item description, brand names or by general location. The cost for this access is an initial charge of \$240 for setup and training and a monthly charge thereafter of \$36 per month. This would be a query only license for city's not licensing or regulating pawnbrokers or secondhand dealers. Chief Hartman noted that he has money in restitution funds to pay for this system. MOTION 05R-06-05 WAS MADE BY DEAN SWANSON AND SECONDED BY DEAN EGGENA TO AUTHORIZE THE CITY OF CROSSLAKE AND CROSSLAKE POLICE DEPARTMENT TO ENTER INTO AN AGREEMENT WITH THE CITY OF MINNEAPOLIS FOR AN AUTOMATED PAWN SYSTEM. It was noted that if the City gets a pawn shop then the cost would be more for a reporting system, however the pawn shop owner would bear the additional cost of the APS. MOTION CARRIED WITH ALL AYES. Approval was also requested to enter into an agreement with the Bureau of Criminal Apprehension (BCA) to access a computerized criminal history program which would allow the department to run criminal history checks directly from the office. Currently this is done through the Crow Wing County Sheriff's Department. The cost for the security device is \$100 plus a monthly charge of \$15. MOTION 05R-07-05 WAS MADE BY DEAN EGGENA AND SECONDED BY DEAN SWANSON TO APPROVE THE REMOTE ACCESS NETWORK USER AGREEMENT BETWEEN THE CITY OF CROSSLAKE POLICE DEPARTMENT AND THE DEPARTMENT OF PUBLIC SAFETY BUREAU OF CRIMINAL APPREHENSION. MOTION CARRIED WITH ALL AYES. The Fire Department responded to 5 medical calls and 5 fire calls in April which included attendance at the Safety Fair held recently at the Community Center.
3. PARK AND RECREATION –
 - a. Park and Recreation Director Jon Henke presented a recap of activities underway at the Community Center and Park. A letter from Dick Dietz informed the Mayor that the tax returns prepared by himself and Gary Shaffer of Mission Township resulted in over 90 federal and state tax returns being prepared and submitted. This service included preparation of property tax refunds for homesteaded property owners who received increases greater than 12% on their property taxes. A fourth session of aerobics is being offered at the Community Center starting June 6th and running through June 30th. Approval to contract with Donna Keiffer at a cost of \$264.48 for this session was requested. MOTION 05R-08-05 WAS MADE BY TERRY CURTIS AND SECONDED BY DEAN EGGENA TO

APPROVE CONTRACTING WITH DONNA KEIFFER FOR AEROBICS INSTRUCTION AT A COST OF \$264.48 FOR THE PERIOD OF JUNE 6TH THROUGH JUNE 30TH. Councilmember Eggena asked why the Council had to approve these contracts each time there is a new session of aerobics and it was agreed that the payment to Donna Keiffer will be listed as a bill for approval and included with the regular bills for approval each month. MOTION CARRIED WITH ALL AYES. Another AAA Senior Driving Program will be held on Thursday, May 25th and May 26th from 1:00 – 4:30 P.M. This class is for first time participants rather than a refresher course. A donation in the amount of \$299.99 was received from the Game and Fish Club towards the purchase of a leg curl/extension machine for the Community Center Weight Room. MOTION 05R-09-05 WAS MADE BY DEAN SWANSON AND SECONDED BY DEAN EGGENA TO ACCEPT THE DONATION OF \$299.99 FROM THE GAME AND FISH CLUB. MOTION CARRIED WITH ALL AYES. A donation of \$250 was received from the Whitefish Area Lions to be used towards the Family fun Day Program. MOTION 05R-10-05 WAS MADE BY DEAN SWANSON AND SECONDED BY DEAN EGGENA TO ACCEPT THE DONATION OF \$250.00 FROM THE WHITEFISH AREA LIONS. MOTION CARRIED WITH ALL AYES. Acceptance of a donation of a laser printer from an anonymous party was requested. MOTION 05R-11-05 WAS MADE BY DEAN SWANSON AND SECONDED BY DEAN EGGENA TO ACCEPT THE DONATION OF A LASER PRINTER FOR THE PARK DEPARTMENT. MOTION CARRIED WITH ALL AYES. Staff is finalizing quotes for the purchase of ag-line for the park ball fields. This item is included in the 2005 Capital Outlay Budget and will appear on the bills for approval at a future council meeting. Park and Recreation Director Jon Henke thanked Dick Dietz and Gary Shaffer for volunteering their time to make the AARP Tax Help Program a huge success. Henke also thanked Gordie Reller and Dave Melberg for their assistance in planting over 1700 trees on the Park property. The minutes of the March 28, 2005 Park Advisory Commission Meeting were included for Council Information.

4. LIBRARY – Chair Alden Hardwick addressed the Council and publicly thanked Art Vadnais who assisted the Library Committee with a request for funding from the Legislature. Mr. Vadnais previously worked for the Department of Education and indicated that there is a lot of competition for funding so was very helpful in assisting the Committee. A luncheon is planned for June 7th at Manhattan Beach Lodge as a fundraiser for the Library. The cost is \$20.00 of which \$10.00 will be donated to the Library. The book drive has started and each Tuesday morning at 10:30 A.M. volunteers meet at the “little house” at the Park to sort through books. The good books will be kept for the future library and the others will be sold at the book sale. Residents were discouraged from donating textbooks or Readers Digests. The sign outside City Hall will be revised once Jim Stevenson is available to work on it. The cost estimate for the proposed addition to the Community Center is

approximately \$400,000 excluding professional services. This cost of the project would be split 50/50 between the Library and the Parks Department.

5. PLANNING AND ZONING -

- a. The minutes of the March 25, 2005 Meeting of the Planning and Zoning Commission/Board of Adjustment were included for Council information.
- b. The Permit Summary for April 2005 was included for Council information.
- c. A memo dated April 28, 2005 from Bonnie Finnerty, Crow Wing County Planner informed the City of a public hearing for the Crow Wing County Zoning and Subdivision Ordinance. This information was included for Council information.
- d. Councilmember Eggena provided the Council with information regarding the Shoreland Act and requested that the Council schedule a special meeting to discuss the information provided. Discussion ensued regarding whether this discussion should take place at the Planning and Zoning Commission level with a recommendation to the Council. Councilmember Phillips asked why this needed to be reviewed and whether the City was in violation or on shaky ground. Councilmember Eggena stated that he disagrees with the Commission that the Shoreland Act needs to be followed when the City has adopted their own ordinances. He stated that the Shoreland Act was established as a model ordinance for City's to follow in adopting their own ordinances. City Attorney Adams stated that the City is not in any violation as long as the ordinances are at least as restrictive as the Shoreland Act. Councilmember Curtis stated that he hasn't seen any discrepancies. Councilmember Swanson felt he'd rather take ten minutes and review the issues at this meeting rather than calling a special meeting. Councilmember Eggena asked Ken Anderson if the interpretation of the Planning and Zoning Commission is that the City has to follow the Shoreland Act as adopted by the DNR and Anderson stated that is correct. Councilmember Eggena stated that is where he disagrees with the Commission. Eggena feels that the City, unlike County's, are entitled to follow their own local ordinances provided there are no objections expressed by the DNR Commissioner prior to adoption. He stated that public hearings are held for all ordinance amendments and if the DNR has objections the hearing is their opportunity to comment or express those objections. Councilmember Swanson suggested that the City Attorney review where the City stands in regards to this issue. City Administrator Swenson commented that the City's Ordinance states that the City adopted the Shoreland Ordinance as part of the City's Ordinance. It was agreed that a meeting would be held prior to the next Regular Council Meeting to discuss this issue.
- e. Park Dedication for Subdivision 2005-004, Ervin Rassatt – Community Development Director Ken Anderson stated that the Parks and Recreation Commission and Planning and Zoning Commission recommend that the City Council accept cash in lieu of land in the amount of \$1,333.33 for park dedication fees for this subdivision. MOTION 05R-12-05 WAS MADE BY DEAN EGGENA AND SECONDED BY DEAN SWANSON TO ACCEPT

CASH IN LIEU OF LAND IN THE AMOUNT OF \$1,333.33 IN PARK DEDICATION FEES FOR ERVIN RASSATT SUBDIVISION 2005-004. MOTION CARRIED WITH ALL AYES.

- f. Park Dedication for Subdivision 2005-005, Donald Engen – The Parks and Recreation Commission and Planning and Zoning Commission recommend that the City Council accept cash in lieu of land in the amount of \$5,000 for Subdivision 2005-005 for Donald Engen. MOTION 05R-13-05 WAS MADE BY DEAN EGGENA AND SECONDED BY TERRY CURTIS TO ACCEPT CASH IN LIEU OF LAND IN THE AMOUNT OF \$5,000 IN PARK DEDICATION FEES FOR SUBDIVISION 2005-005 FOR DONALD ENGEN. MOTION CARRIED WITH ALL AYES.
- g. Staff Report dated May 9, 2005 from Ken Anderson regarding Downtown Area Off-Site Signs for Town Square – There are two off-site signs for Town Square situated on both ends of Swann Drive which were approved previously by the Crosslake City Council. The signs currently advertise three businesses in Town Square and the Association is requesting that the current signs be removed and be replaced with a larger sign with new language which would market all the businesses within Town Square. Councilmember Swanson asked what the objection was to the current size of the sign. Councilmember Phillips commented that the City has a sign ordinance and inquired whether it meets the ordinance standards. Swanson stated that it does not meet the sign ordinance but was approved by a prior Council under the Specific Implementation Plan. Councilmember Eggena stated that he thought it was a permitted use when there were three businesses but then the sign would come down when other businesses move in. City Administrator Swenson stated that originally the sign advertised Town Square. Then when Lundrigan's and Rustica moved into Town Square, these store names were added underneath the Town Square sign as approved by the Council in 2002. There was some discussion regarding whether the signs were located on public property and Ken Anderson stated that the signs are on private property. Councilmember Eggena stated that the Ordinance states no off site signs will be permitted, so the sign is a non-conforming sign. Eggena suggested that the Planning and Zoning Commission look at the sign ordinance to determine if it is too restrictive. MOTION 05R-14-05 WAS MADE BY DEAN SWANSON AND SECONDED BY DICK PHILLIPS TO ALLOW A CHANGE IN THE SIGNS FOR TOWN SQUARE TO REFLECT DISTINCTIVE SHOPPING, PAVILION, EATERIES WITH THE SIZE AS PROPOSED BY THE ASSOCIATION. Mary DuBois of Lundrigan's addressed the Council representing the Association. She stated that the sign being proposed is the same size in height and width but has a larger interior sign to allow for a more proportionate sign. DuBois stated that the sign is being designed to show that Town Square is for shopping and eating, not a park for the town. Councilmember Eggena asked if they would want more signs in the future reflecting each business and DuBois stated that they would not want individual signs. MOTION CARRIED WITH EGGENA, PHILLIPS AND

SWANSON VOTING AYE AND COUNCILMEMBER CURTIS ABSTAINING.

- h. Memo dated May 9, 2005 from Ken Anderson regarding Letter of April 26, 2005 regarding Crosslake Construction Demolition Debris Facility – A letter dated April 26, 2005 from Phil Martin of Landecker & Associates estimated the pit top of the Crosslake Demolition Facility to be approximately 2.5 acres. Ken Anderson stated that he spoke with Mr. Martin after receiving a copy of said letter to obtain clarification of the pit top. Mr. Martin explained that the pit top represented the area where the pit was excavated for gravel extraction purposes at the time of the 1991 survey and that the excavation area may not necessarily be the debris area. Anderson stated that Item #4 of his Staff Report of the April 11, 2005 meeting was approved unanimously by the Council. This Item #4 required that the four (4) acre area be identified in the site plan as well as a determination of the actual size of the existing boundaries of the pit. Councilmember Eggena excused himself from the Council Table at 8:30 P.M. and took a seat in the audience. Councilmember Swanson stated that he has a problem with what was provided by Mr. Martin on behalf of Dean Eggena. He stated that at the April 11th meeting, a motion was unanimously passed asking for a certified survey. Swanson stated that there are some questions regarding the four acres versus the amount used and the Council agreed to accept a certified survey. Mr. Martin's letter states that the pit top is an estimate and is not a certified survey. Councilmember Phillips commented that Ken Anderson was to prepare a draft letter to send to the property owner but asked where a copy of the 1991 CUP is and where does it state the site would be located. Ken Anderson stated that the CUP approval was in the form of a motion approved with conditions by the City Council. Currently when a CUP is approved, the motion is included in a document sent to the recorder's office but this was not the process used in 1991. Councilmember Curtis made reference to the April 21st meeting, where after the break, there was a disagreement regarding what the Council requested versus what the property owner agreed to provide. Curtis suggested that in order to come to a resolution, the Council needs to focus on the draft letter, which in his opinion, should have already been sent to the property owner. Councilmember Swanson stated that he is uncomfortable discussing the issue since the Mayor is unavailable at this meeting and may wish to express his opinion in regards to this issue. Swanson stated that the Council has been aware of this issue since January and it could wait until the next meeting. Discussion continued regarding sending the letter to the property owner since this should not have even come to the Council. Ken Anderson stated that he and City Administrator Swenson spoke with the landowner in January and as time went on there were uncertainties and they wanted to handle the issue with sensitivity since the property owner is a Councilmember. MOTION 05R-15-05 WAS MADE BY TERRY CURTIS AND SECONDED BY DICK PHILLIPS TO SEND THE DRAFT LETTER PUT TOGETHER BY KEN ANDERSON TO THE LANDOWNER

IMMEDIATELY. MOTION CARRIED WITH CURTIS AND PHILLIPS VOTING AYE AND SWANSON VOTING NAY. Ken Anderson asked the Council if they were satisfied with the letter from Mr. Martin regarding the two and a half (2 ½) acres. Councilmember Swanson stated he was not satisfied and again asked that the issue be tabled to the June meeting. Anderson stated that the Council had asked for a Certificate of Survey in a motion approved at a previous meeting. Councilmember Curtis asked if the demo area could be determined by what was included in the MPCA permit. Anderson stated that the shaded oblong portion of the material provided previously to the Council only shows the area where the gravel has been extracted. Curtis stated that he has full faith that the permitting process will take care of everything else. Swanson stated that he has no problem with the MPCA but does have a problem with the City's permit. MOTION WAS MADE BY DEAN SWANSON TO TABLE DISCUSSION TO THE JUNE MEETING. MOTION DIED FOR LACK OF A SECOND. Councilmember Eggena joined the Council table at 9:08 P.M.

- i. Staff report dated May 11, 2005 regarding Sadie Hoag's request to waive Certificate of Survey - At the request of Councilmember Eggena, this item has been placed on the agenda to allow Ms. Hoag to apply for a variance to construct a 12' x 14' shed approximately 16 ft from the right-of-way line of Egret Road without submittal of a certificate of survey. Councilmember Eggena stated that these lots were platted in 1999 and sees no purpose in Ms. Hoag hiring a surveyor to verify the pins. MOTION 05R-16-05 WAS MADE BY DEAN EGGENA AND SECONDED BY TERRY CURTIS TO WAIVE THE REQUIREMENT FOR A CERTIFICATE OF SURVEY FOR VARIANCE REQUEST 2005-005 FOR SADIE HOAG. Councilmember Swanson stated that he would be opposed to going against what the Ordinance requires and if we don't like the Ordinance then change it. Councilmember Eggena stated that it should be sent back to the Planning and Zoning Commission to review and Councilmember Curtis stated that it could be reviewed by Planning and Zoning at their meeting on May 27th. MOTION CARRIED WITH CURTIS, EGGENA AND PHILLIPS VOTING AYE AND SWANSON VOTING NAY.
- j. Staff Report dated May 11, 2005 containing recommendation for Ordinance Amendment related to Metal Siding and Metal Sided Buildings in the R-3, Residential Medium Density and Waterfront Commercial Zoning Districts and Architectural/Appearance Standards for Residential Principal and Accessory Structures - A public hearing was held on March 25, 2005 by the Planning and Zoning Commission and a motion recommending approval of the proposed Ordinance Amendment No. 2005-002 was approved. It was noted that a 4/5ths majority of the Council is required in order to adopt the Ordinance Amendment. MOTION 05R-17-05 WAS MADE BY DEAN EGGENA AND SECONDED BY TERRY CURTIS TO FOLLOW THE RECOMMENDATION OF THE PLANNING AND ZONING COMMISSION TO APPROVE ORDINANCE AMENDMENT 2005-002 RELATING TO METAL SIDING AND METAL SIDED BUILDINGS

AND TO PUBLISH A SUMMARY OF SAID ORDINANCE AMENDMENT. MOTION FAILED WITH CURTIS, EGGENA AND PHILLIPS VOTING AYE AND SWANSON VOTING NAY.

Councilmember Eggena stated that he would like to bring this issue back to the June meeting and Ken Anderson stated that there are some rules regarding the reconsideration of ordinance amendments and the City Attorney should review these procedures prior to the June meeting. Councilmember Curtis stated that he would like to report back to the Commission the concerns of Councilmember Swanson. Swanson stated that he does not like metal-sided structures in the R3 or Waterfront Commercial districts.

6. PUBLIC WORKS/CEMETERY/SEWER

- a. Public Works Director Ted Strand informed the Council that his Staff has completed street sweeping. Routing and crack sealing has been completed by Anderson Brothers and he is preparing for the application of calcium chloride on the gravel roads. The road restrictions will be lifted on May 20th.
- b. A memo from WSN regarding Greer Lake Park Road recapped discussion with Duane Blanck in regards to inquiries concerning the State-Aid standards and intersection design when state funds are utilized. A waiver from these State standards is being requested because the runout lengths and degree of super elevation cannot be achieved. Based on WSN's discussion with Duane Blanck, WSN will proceed with the understanding that a waiver will be granted based on the justifying facts and the additional safety measures incorporated into the plans.
- c. A memo dated May 9th from WSN to Al Knowlen of Anderson Brothers included a list of punch list items remaining from the 2004 Street Improvement Project. In addition to these items, Anderson Brothers was requested to prepare quotations to correct drainage in the areas of the Presbyterian Church, Community Center and along Daggett Pine Road west of the Community Center. In lieu of restoring the striping on Daggett Pine Road, the City would consider a cost to remove the striping with a credit to the City for the payment made toward the initial striping cost. On May 9th a response was received from Anderson Brothers with a quote of \$11,796.35 for the church lot and adjacent City ditch and a quote of \$12,310.60 for the City ditch from Homestead to an area behind the ballfields. The Presbyterian Church Board has met with City Staff and they agree that both the Church and the City need to work together to correct the drainage problems. City Administrator Swenson commented that the City will need to obtain an easement from the Church in order to fix the drainage problems. Councilmember Eggena asked if splitting the quotes changed the pricing and where the money was budgeted. Swenson stated that splitting the project would not affect the pricing and the money would come out of the Capital Outlay budget for new road construction which contains \$65,000. MOTION

05R-18-05 WAS MADE BY DEAN EGGENA AND SECONDED BY DEAN SWANSON TO ACCEPT THE CITY OF CROSSLAKE QUOTE FROM ANDERSON BROTHERS IN THE AMOUNT OF \$12,310.60.

Councilmember Phillips stated that he has a problem with spending this kind of money to fix a problem this soon after project completion. MOTION CARRIED WITH EGGENA, PHILLIPS AND SWANSON VOTING AYE AND CURTIS ABSTAINING FROM THE VOTE. Staff was directed to work with the Church Board to obtain an easement and review the proposed design for drainage improvements.

- d. A letter dated May 3, 2005 from WSN to the Department of Health requested an extension to the deadline to complete the well relocations from the Sewer Project. WSN and the City are working on coordination of meetings with the individual property owners and Lambert Well Drilling. Since some of the seasonal residents are not in the area until later in May, an extension to July 30, 2005 is being requested.
- e. A memo dated May 4, 2005 from Public Works Director Ted Strand set the annual spring cleaning of Pinewood Cemetery the week of May 23rd. A notice will be placed in the Lake Country Echo, on Channel 12 and at various locations within the cemetery. MOTION 05R-19-05 WAS MADE BY TERRY CURTIS AND SECONDED BY DEAN SWANSON TO SET THE WEEK OF MAY 23RD AS CEMETERY CLEAN UP WEEK AT PINEWOOD CEMETERY. MOTION CARRIED WITH ALL EYES.
- f. A memo dated May 5, 2005 from Public Works Director Ted Strand requested Council direction in setting a date and time for a public hearing on West Shore Drive. The Council agreed that the hearing should be held on a Saturday at the Community Center. There was some discussion regarding whether or not this project could be assessed and it was agreed that it would not be assessed since the precedent to not assess was determined with the improvement to Daggett Pine Road which was not assessed. The public hearing was set for July 23, 2005 at 10:00 A.M. at the Community Center. A hearing notice will be published in the Lake Country Echo and in the next newsletter.

7. **CROSSLAKE COMMUNICATIONS** – In the absence of General Manager Dennis Leaser, Jared Johnson presented the Highlights Report for April. The first Safety Fair was held on Saturday, April 23rd at the Community Center and was a huge success. This fair was held in partnership with law enforcement agencies, community service organizations and the Park and Recreation Department. The tariffs for the telephone rate increase have been filed with the Minnesota Public Utilities Commission for a July 1st rate increase. The Fiber to the Home Loan Documents have been reviewed by the City Attorney, signed and sent to Washington for approval. The new long distance service, Lakes Long Distance will be ready for service on June 1st. This plan offers 9.9 cents per minute with no monthly charge. The new optional Neighbor to Neighbor plan with Emily Telephone and CTC will be launched on June 1st. This plan will give 7 digit dialing to the exchanges serviced by Emily Telephone and Consolidated Telecom for \$4.95

per month with no other charges. All DSL Customers have now been fully cutover. Crosslake Communications sponsored scholarship requests for two students through OPASTCO's Foundation for Rural Education and Development. One of the students, Scott Floerchinger, received a scholarship in the amount of \$1,000. The Cable Tracking report was included for Council information. Councilmember Swanson stated that he disagrees with the notice that was sent to customers stating that the telephone rate increase was approved by the City Council. Swanson stated that he voted against the increase and felt the notice should have stated that the Council approved the increase on a 3-2 vote. Swanson stated that he also voted against the Fiber-to-the Home because he doesn't know if the Telephone Company can afford this expensive of a project. A memo dated May 2, 2005 from General Manager Dennis Leaser requested approval for the Brainerd Area Amateur Radio Club to install an antenna on the tower and radio equipment in the building. Dietz Brothers, the company who installed the tower, would do the work to install the equipment for the Amateur Radio Club. John Luce, an officer with the Club, was present to answer any questions the Council may have regarding this request. MOTION 05R-20-05 WAS MADE BY DEAN EGGENA AND SECONDED BY TERRY CURTIS TO APPROVE THE BRAINERD AREA AMATEUR RADIO CLUB'S USE OF THE CROSSLAKE COMMUNICATIONS TOWER TO INSTALL AN ANTENNA AT NO CHARGE. City Administrator Swenson asked if the Club had insurance naming the City as an additional insured and Mr. Luce stated that they do have a general liability policy and would provide the City a Certificate of Insurance naming the City as an additional insured. MOTION CARRIED WITH ALL AYES. A memo dated May 5, 2005 from Operations Manager Jared Johnson requested approval to accept the bid from Optical Solutions in the amount of \$734,752 for the Fiber-to-the-Home electronics. The bids were opened on Tuesday, May 3, 2005 at Vantage Point Engineering in Mitchell, South Dakota. Three sealed packages were received with Motorola, Tellabs and Optical Solutions bidding. MOTION 05R-21-05 WAS MADE BY DEAN EGGENA AND SECONDED BY TERRY CURTIS TO ACCEPT THE BID FROM OPTICAL SOLUTIONS IN THE AMOUNT OF \$734,752 FOR FIBER TO THE HOME ELECTRONICS. Johnson stated that this bid is \$100,000 below the engineer's estimate. Johnson further noted that there are two incidental bids to go out for on the miscellaneous equipment such as splitters, cabinets and etc. City Administrator Swenson stated that the outside plant bid came in \$300,000 over the estimate and with the electronics coming in \$100,000 under, the shortfall is still \$200,000 over the engineers estimate. Councilmember Swanson stated that he doesn't hear anything about the success of the digital cable business and wonders if the Telephone Company can afford the Fiber-to-the-Home Project. MOTION CARRIED WITH CURTIS, EGGENA AND PHILLIPS VOTING AYE AND SWANSON VOTING NAY. Jared Johnson stated that he will need to know by September if the City is looking at pursuing improvement to West Shore Drive. Councilmember Phillips asked the status of the Ordinance Amendment for the Utilities Commission and City Attorney Sandelin stated that it should be available for the June meeting.

7. RECYCLING -- A total of 20.71 tons of recyclables were collected in April bringing the year-to-date amount collected to 52.98 tons. A memo dated April 11, 2005 from Doug Morris, Solid Waste Coordinator, for Crow Wing County included the annual residential recycling report and was included for Council information.
8. PERSONNEL -- At a meeting held on May 5, 2005, the Personnel Committee approved a motion to recommend to the City Council that Cyndi Perkins be removed from probationary status and placed on permanent full time status effective March 16, 2005 and that her annual salary be adjusted to \$43,000 per year. MOTION 05R-22-05 WAS MADE BY TERRY CURTIS AND SECONDED BY DEAN EGGENA TO REMOVE CYNDI PERKINS FROM PROBATIONARY STATUS AND PLACED ON PERMANENT FULL TIME STATUS EFFECTIVE MARCH 16, 2005 AND GIVEN AN ANNUAL SALARY ADJUSTMENT TO \$43,000 PER YEAR. MOTION CARRIED WITH ALL AYES.

H. OLD BUSINESS -- None

I. NEW BUSINESS -- None

J. PUBLIC FORUM -- None

K. ADJOURN -- MOTION 05R-23-05 WAS MADE BY TERRY CURTIS AND SECONDED BY DEAN EGGENA TO ADJOURN THIS REGULAR MEETING AT 10:00 P.M. MOTION CARRIED WITH ALL AYES.

Recorded and transcribed by,



Darlene J. Roach
Clerk/Treasurer

Shared/REG COUNCIL MTG -- May 9, 2005. doc

BILLS FOR APPROVAL
9-May-05

VENDORS	DEPT	AMOUNT
Ace Hardware, poly film	P&R	12.76
Ace Hardware, spray paint	PW	27.65
Ace Hardware, sprinkler parts	PW	4.56
Ace Hardware, phone cord, snap spring	PW/Sewer	12.96
Ace Hardware, clamp, elbow, valve, adapter	P&R	6.88
Ace Hardware, safety glasses	P&R	10.96
American Water Works Assn, dues	Sewer	140.00
AW Research, water test	Sewer	132.00
Banyon Data Systems, utility billing support	Sewer	704.04
Build All Lumber, insulation	Sewer	2,148.43
Cascade Computers, new printer	P&Z	808.56
City of Crosslake, sewer utility bills	PW/Gov't	90.00
Council #65, union dues	ALL	273.35
County Assessor, request for estimate on proposed tif district	Gov't	200.00
County Recorder, filing fees	P&Z	19.50
Crosslake Communications, phone, fax, internet, cable	ALL	1,300.77
Crosslake Rolloff, recycling	Gov't	2,450.00
Deferred Comp	ALL	491.66
Delta Dental, dental insurance	ALL	1,086.45
East Side Oil, antifreeze recycling	Gov't	55.00
Firemens Relief Assn., reimburse lodging for class	Fire	492.72
Fortis, disability	ALL	236.42
Jay Andolshek, reimburse mileage	Gov't	100.44
John Moengen, reimburse mileage	Fire	141.22
Krause Lock & Key, deadbolt installed	Police	48.00
Krause Lock & Key, padlocks and shackles	PW	265.45
Lakes Area Rental, bobcat rental	PW	463.28
Larson Allen, audit services	Gov't	6,139.94
Mastercard, Best Western, lodging for class	PW	66.02
Medica, health insurance	ALL	10,929.62
Mike Amsden, reimburse meal for class	PW	9.93
Mills Motors, check brakes	Police	12.00
Mills Motors, oil change, fix electrical problem	Sewer	178.23
MN Benefits	Admin	100.92
MN Fire Service Certification Board, test and recert apps	Fire	160.00
MN Life, life insurance	ALL	319.20
NCPERS-Life Insurance	ALL	144.00
North Ambulance, subsidy	Ambulance	1,103.00
PERA	ALL	N/A
Property 3, refund permit fee	P&Z	6,900.00
Sandelin Law Office, legal fees	ALL	5,066.82
Simonson Lumber, mailbox post	PW	16.82
State and Federal Taxes	ALL	N/A
Tom Swenson, vehicle allowance	Admin	400.00
Triangle Oil, diesel	PW	79.91

ADDITIONAL BILLS FOR APPROVAL
9-May-05

VENDOR	DEPT	AMOUNT
Alex Air Apparatus, compressor service	Fire	895.67
Ameripride, mats	PW	103.54
AW Research, water tests	Sewer	396.00
Bob Castle, weld and straighten dirt strainer	PW	300.00
Career Clothes, uniform	Police	36.75
Crow Wing County Treasurer, e911 addresses	Gov't	75.00
Crow Wing County Treasurer, tif administration	Gov't	200.00
Culligan, water and cool rental	PW/Gov't	58.22
Keith Anderson, reimburse mileage	Fire	189.44
Lakes Area Rental, bobcat rental	PW	175.73
LaSalle Bank, fire truck payment	Fire	23,697.56
League of MN Cities Insurance Trust, property insurance	ALL	62,693.00
Minnesota Telecom Alliance, safety program dues	Gov't	1,390.00
MN Spray Foam Insulation, insulation at sewer plant	Sewer	5,520.00
MR Sign, address signs	PW	457.39
MR Sign, posts	PW	946.56
Northern Water Works Supply, meters	Sewer	1,214.04
Northland Trust Service, bond payment	Gov't	7,123.34
Northwood Turf and Power, ditch mower	PW	7,588.08
Northwood Turf and Power, blade, air filter	PW	151.92
Streicher's, uniform	Police	79.48
Superior Lamp, bulbs	PW	641.59
Triangle Oil, diesel fuel	PW	87.79
Uniforms Unlimited, uniform	Police	84.75
Viking Coca Cola, pop	PW	88.82
Viking Industrial North, mud and slush boots	Sewer	68.11
Widseth Smith Nolting, engineering fees	ALL	1,981.25
TOTAL		116,244.03

CITY OF CROSSLAKE
CROW WING COUNTY, MINNESOTA

RESOLUTION NO. 05-09

**RESOLUTION CALLING FOR A PUBLIC HEARING BY THE CITY COUNCIL
ON THE PROPOSED ADOPTION OF A MODIFICATION TO THE
DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1 AND
THE PROPOSED ESTABLISHMENT OF TAX INCREMENT FINANCING
DISTRICT NO. 1-9 THEREIN AND THE ADOPTION OF THE TAX
INCREMENT FINANCING PLAN THEREFOR.**

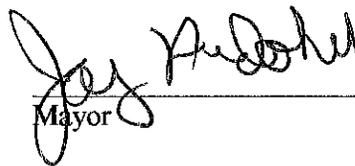
BE IT RESOLVED by the City Council (the "Council") for the City of Crosslake, Minnesota (the "City"), as follows:

Section 1. Public Hearing. This Council shall meet on July 11, 2005, at approximately 7:00 P.M., to hold a public hearing on the proposed adoption of a Modification to the Development Program for Development District No. 1, the proposed establishment of Tax Increment Financing District No. 1-9, (a housing district), and the proposed adoption of a Tax Increment Financing Plan therefor, all pursuant to and in accordance with Minnesota Statutes, Sections 469.124 to 469.134, and Sections 469.174 to 469.1799, inclusive, as amended, in an effort to encourage the development and redevelopment of certain designated areas within the City; and

Section 2. Notice of Public Hearing, Filing of Program Modification and Plan. City staff is authorized and directed to work with Ehlers & Associates, Inc., to prepare a Modification to the Development Program for Development District No. 1 and a Tax Increment Financing Plan for Tax Increment Financing District No. 1-9 and to forward documents to the appropriate taxing jurisdictions including Crow Wing County and Independent School District No. 186. The City Administrator is authorized and directed to cause notice of the hearing, together with an appropriate map as required by law, to be published at least once in the official newspaper of the City not later than 10, nor more than 30, days prior to July 11, 2005, and to place a copy of the Program Modification and Plan on file in the City Administrator's office at City Hall and to make such copy available for inspection by the public.

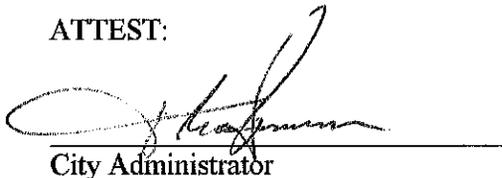
Dated: May 9, 2005

Adopted:



Mayor

ATTEST:



City Administrator