

**COUNCIL PROCEEDINGS
CITY OF CROSSLAKE MINNESOTA
PUBLIC HEARING AND REGULAR COUNCIL SESSION
MAY 13, 1996**

The Council for the City of Crosslake met in the Council Chambers of City Hall on Monday, May 13, 1996. The following Councilmembers were present: Mayor David M. Kolesar, Jane M. Michaud, Charles O. Miller, John (Jack) R. Webster and Raymond P. Smyth. Also present was City Clerk Arlene A. Buchite, City Attorney Paul Sandelin and Reporter Jean Paul Hudon. There were approximately 24 individuals in the audience.

Mayor Kolesar called the Public Hearing to order at 7:00 P.M. to hear the appeal of Variance 96-03 for Richard Phillips which had been denied at the February 16, 1996 meeting of the Planning and Zoning Commission.

Teri Hastings addressed the Council and read a letter from Mr. and Mrs. Phillips. Letters in support of the variance from Marie M. Popane, Vince and Jan Fierstein and Marilyn and Richard Popane were also read into the record. These letters had been received after the Planning and Zoning Commission meeting when notification of the appeal was sent to neighbors.

Mr. and Mrs. Phillips addressed the Council and explained that if the proposed addition were to be moved back to meet the 75' setback, the entire kitchen would require revamping since the only access to the proposed addition would be in the area where the stove and cabinets are located. Mr. Phillips felt this would be a hardship. Mr. Phillips stated that other variances had been approved similar in nature to their request.

MOTION 05PH-01-96 WAS MADE BY JANE MICHAUD AND SECONDED BY CHUCK MILLER TO OVERTURN THE DENIAL OF VARIANCE 96-03 FOR MR. AND MRS. RICHARD PHILLIPS DUE TO THE HARDSHIP CAUSED BY THE TOPOGRAPHY WHEREAS IF THE ADDITION WERE TO BE MOVED BACK TO MEET THE SETBACK WOULD BE VERY CLOSE TO THE ROADWAY AND REQUIRE RE-DESIGN OF THE INTERIOR OF THE HOME AND BECAUSE THE SETBACK OF THE NEIGHBOR TO THE RIGHT IS LESS THAN BEING REQUESTED BY THE APPLICANT. MOTION CARRIED UNANIMOUSLY.

MOTION 05PH-02-96 WAS MADE BY RAY SMYTH AND SECONDED BY JACK WEBSTER TO ADJOURN THE PUBLIC HEARING AT 7:23 P.M. MOTION CARRIED UNANIMOUSLY.

REGULAR MEETING

Mayor Kolesar called the regular meeting to order at 7:23 P.M.

CRITICAL ISSUES - Mr. Tim Bastrup, Area Fishery Supervisor with the DNR in Brainerd, was present to request City Council approval on the purchase of an island on Rush Lake from Mr. and Mrs. George Hope and Mr. and Mrs. Keith. The DNR is requesting the use of Rim Critical Habitat Matching Funds (RIM) to pay for a portion of the purchase cost and must obtain the City's approval prior to using these funds. The landowners will each donate a percentage of the value, a portion will come from RIM and the balance will come from the DNR Fisheries

Acquisition Account. The island will be used as an aquatic management area.

MOTION 05R-01-96 WAS MADE BY RAY SMYTH AND SECONDED BY CHUCK MILLER TO APPROVE THE DNR REQUEST TO PURCHASE IVY ISLAND ON RUSH LAKE USING RIM CRITICAL HABITAT MATCHING FUNDS FOR THE LAND ACQUISITION REFERENCE TO MINNESOTA STATUTE 84.944 SUBD. 2 AND 3 FOLLOWING THE PROCEDURES FOUND IN MINNESOTA STATUTE 97A.145, PURCHASING WILDLIFE MANAGEMENT AREAS. MOTION CARRIED UNANIMOUSLY.

CONSENT CALENDAR -

MOTION 05R-02-96 WAS MADE BY RAY SMYTH AND SECONDED BY JACK WEBSTER TO APPROVE ALL ITEMS ON THE CONSENT CALENDAR CONSISTING OF: (1) MINUTES OF APRIL 8, 1996 REGULAR COUNCIL MEETING; (2) MINUTES OF APRIL 17, 1996 SPECIAL COUNCIL SESSION INCLUDING A CORRECTION ON PAGE 5, SECOND PARAGRAPH TO READ "MANGANESE" RATHER THAN MAGNESIUM; (3) MINUTES OF APRIL 22, 1996 BOARD OF REVIEW MEETING; (4) MINUTES OF MAY 7, 1996 SPECIAL COUNCIL SESSION; (5) CLERK/TREASURER'S FINANCIAL REPORT FOR APRIL, 1996; (6) TELEPHONE COMPANY FINANCIAL REPORT FOR MARCH, 1996; AND (7) CABLEVISION COMPANY FINANCIAL REPORT FOR MARCH, 1996. MOTION CARRIED UNANIMOUSLY.

CLERK'S REPORT -

MOTION 05R-03-96 WAS MADE BY JANE MICHAUD AND SECONDED BY RAY SMYTH TO APPROVE ALL BILLS FOR PAYMENT CONSISTING OF: (1) EDA INTEREST PAYMENT OF \$13,892.50; (2) GOPHER STATE PAYMENT #4 FOR THE COMMUNITY CENTER FOR \$111,459.55; (3) CROSSLAKE SANITATION FOR RECYCLING OF \$950.00; (4) GAMMELLO SANDELIN P.A. FOR ATTORNEY FEES OF \$1,825.25; (5) BOART LONGYEAR FOR TEST HOLE AND WELL FOR \$6,794.00; (6) NATIONAL GAS FOR STOVE AND REFRIGERATOR AT EMERGENCY SERVICES CENTER FOR \$1,389.06; (7) ZIEGLER CAT FOR GRADER REPAIRS FOR \$29,222.06; AND (8) EDA BILL FOR SOLID WASTE FEE OF \$15.00. MOTION CARRIED UNANIMOUSLY.

CORRESPONDENCE

A letter from the State Demographer showed the population of Crosslake increased to 1347 from 1226 in 1995.

The Workers Compensation Insurance managed care service administered by CorVel was up for renewal for a two-year period.

MOTION 05R-04-96 WAS MADE BY RAY SMYTH AND SECONDED BY JACK WEBSTER TO RENEW THE CONTRACT WITH CORVEL FOR MANAGED CARE SERVICES. MOTION CARRIED UNANIMOUSLY.

Brainerd Lakes Area Development Corporation had sent a letter requesting comments and feedback from local units of government supported by BLADC in regards to their facing an operating loss of approximately \$30,000 for this fiscal year.

The renewal of the liquor licenses, which had been tabled from the April meeting, was discussed. Jane Michaud reported that there has been no increase in law enforcement or administrative time during the past year from any of the existing liquor establishments.

MOTION 05R-05-96 WAS MADE BY JANE MICHAUD AND SECONDED BY CHUCK MILLER TO APPROVE THE RENEWAL OF THE EXISTING LICENSES WITH THE EXISTING FEE

SCHEDULES FOR 1996 AND 1997. MOTION CARRIED UNANIMOUSLY.

Mayor Kolesar read the list of establishments for which the approvals were renewed.

MOTION 05R-06-96 WAS MADE BY JANE MICHAUD AND SECONDED BY RAY SMYTH TO INITIATE A TEMPORARY LIQUOR LICENSE FEE OF \$50.00 FOR A 24 HOUR PERIOD OF TIME FOR BOTH PROFIT AND NON-PROFIT GROUPS. MOTION CARRIED WITH CHUCK MILLER VOTING NAY.

The County Auditor's Office had requested a de-certification of TIF District 1-4 the old Total Rental property since they have never received Tax Increment Financing. Lakes State Bank does not want to use the TIF.

MOTION 05R-07-96 WAS MADE BY JACK WEBSTER AND SECONDED BY JANE MICHAUD TO DE-CERTIFY TAX INCREMENT FINANCING DISTRICT 1-4. MOTION CARRIED UNANIMOUSLY.

The release of a \$200,000 Treasury Note had been requested from Brainerd National Bank.

MOTION 05R-08-96 WAS MADE BY JANE MICHAUD AND SECONDED BY RAY SMYTH TO AUTHORIZE THE RELEASE OF THE \$200,000 TREASURY NOTE AT BRAINERD NATIONAL BANK. MOTION CARRIED UNANIMOUSLY.

A lease agreement has been signed by the tenant for the old Fire Hall. This agreement covers the City for any insurance obligations from July 2nd until closing.

MOTION 05R-09-96 WAS MADE BY CHUCK MILLER AND SECONDED BY JANE MICHAUD TO ACCEPT THE LEASE AGREEMENT FOR THE OLD FIRE HALL. MOTION CARRIED UNANIMOUSLY.

A letter had been received from the County Auditor's Office which contained information on election tabulating machines. Buying new would cost approximately \$6,000, used \$5,000 for rental of \$1,100 with the rental applied towards the purchase. Clerk Buchite will bring more information to the next Council meeting.

MAYOR'S REPORT -

A tax reform meeting will be held at 2:30 P.M. on Saturday, June 15, 1996 at the Emergency Services Center. Representative Kris Hasskamp, Senator Don Samuelson and four other House and Senate members will be present to discuss reform.

Water testing of both shallow and deep wells will be done on June 15th.

Mayor Kolesar asked and received approval from the Council to pursue obtaining prices on computers.

A volunteer luncheon was held on Wednesday, May 8th at Moonlite Bay with 70 volunteers in attendance. Citizenship pins were distributed to all of the volunteers.

The Lutheran Church has requested they be allowed to remove trees and blacktop a 4' piece of property between the Church and the Telephone

Company.

MOTION 05R-10-96 WAS MADE BY JACK WEBSTER AND SECONDED BY CHUCK MILLER TO GIVE AN EASEMENT TO THE LUTHERAN CHURCH FOR A PATH ACROSS THE TELEPHONE COMPANY PROPERTY FOR ACCESS TO THE PUBLIC PARKING AREA. MOTION CARRIED UNANIMOUSLY.

PLANNING AND ZONING -

The Planning and Zoning Commission requested approval on the final plat for Carefree Cottages with the stipulation that the developer be required to pay the professional costs incurred by the City to review the association documents and title opinion and that the developer be responsible for the cost of street signs.

MOTION 05R-11-96 WAS MADE BY CHUCK MILLER AND SECONDED BY JACK WEBSTER TO APPROVE THE FINAL PLAT FOR CAREFREE COTTAGES WITH THE STIPULATIONS AS NOTED. MOTION CARRIED UNANIMOUSLY.

Jack Webster reported on the focus group meetings that are being held to review the comprehensive plan.

PUBLIC WORKS -

Dean Swanson requested that the Public Works Commission be made aware of plats that come before the Planning and Zoning Commission.

The Commission requested that a rough draft of an Ordinance dealing with the vacating of City roads be prepared by the City Attorney. Currently the procedure is to petition the District Court to vacate a platted street. After some discussion, the Council agreed that the vacating of platted roads will continue to be handled by the District Court.

Chuck Miller commented that since Public Works only consists of two employees the ten hour four day shifts need to be assessed.

MOTION 05R-12-96 WAS MADE BY CHUCK MILLER AND SECONDED BY JANE MICHAUD THAT PUBLIC WORKS GO BACK TO AN EIGHT HOUR FIVE DAY WEEK SCHEDULE. MOTION CARRIED UNANIMOUSLY.

UTILITIES -

Nothing

PUBLIC SAFETY -

John Backdahl presented a certificate to Mike Smith recognizing him for five years of service to the Police Department.

Dean Swanson reported on the hydrant which has been under consideration for the Community Center. The tanks, which are required for the hydrant, could be installed on the mezzanine level, which is the mechanical area, so as not to take up storage space on the lower level.

MOTION 05R-13-96 WAS MADE BY JANE MICHAUD AND SECONDED BY RAY SMYTH TO INSTALL THE HYDRANT FOR THE FIRE DEPARTMENT BY THE COMMUNITY CENTER WITH THE COST NOT EXCEEDING \$10,000 AND WITH THE UNDERSTANDING THAT

ACCEPT THE WANNEBO EXCAVATING BID OF \$11,862.50 FOR CLEARING AND GRUBBING OF THE COMMUNITY CENTER SITE. MOTION CARRIED UNANIMOUSLY.

The cost associated with this project will be obtained from funds paid by developers for park dedication fees. The fund has a balance of approximately \$52,000.

MOTION 05R-16-96 WAS MADE BY RAY SMYTH AND SECONDED BY JACK WEBSTER TO AUTHORIZE SURVEY SERVICES IN THE AMOUNT OF \$3,650.00 PROVIDED BY WIDSETH SMITH NOLTING. MOTION CARRIED WITH CHUCK MILLER VOTING NAY.

A fee schedule has been prepared for use of the Community Center along with a tennis reservation fee.

MOTION 05R-17-96 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD TO ACCEPT THE FEE SCHEDULE RECOMMENDED IN THE STAFF REPORT. MOTION CARRIED WITH CHUCK MILLER VOTING NAY.

Jack Webster commented that the fee schedule distributed to the public specify that the building is a smoke and alcohol free facility.

Rob Larson requested approval to do fund raising for equipment needs. Some money is available from the insurance proceeds on the contents and grant money has been requested from the Minnesota Parks and Recreation Association in the amount of \$5,000.

MOTION 05R-18-96 WAS MADE BY RAY SMYTH AND SECONDED BY JACK WEBSTER THAT PRIOR TO SOLICITING DONATIONS ON BEHALF OF THE CITY FROM ANY LOCAL ORGANIZATIONS, BUSINESSES AND INDIVIDUALS THAT SUCH A CONTACT BE COORDINATED THROUGH THE MAYOR'S OFFICE. MOTION CARRIED UNANIMOUSLY.

Mayor Kolesar commented that Rob Larson had requested approval to go to the Lions Club for a donation for tables, chairs and kitchen equipment.

The Lakes Area Booster Club requested a donation from the City to help support various youth recreational programs. The programs offered by the Booster Club are activities not currently available at the Community Center.

MOTION 05R-19-96 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD TO APPROVE \$1000 DONATION TO THE LAKES AREA BOOSTER CLUB. MOTION CARRIED UNANIMOUSLY.

The Park and Recreation Commission recommended Curt Larson as an alternate member.

MOTION 05R-20-96 WAS MADE BY RAY SMYTH AND SECONDED BY JACK WEBSTER TO APPOINT CURT LARSON AS AN ALTERNATE TO THE PARK AND RECREATION COMMISSION. MOTION CARRIED UNANIMOUSLY.

Rob Larson requested approval to hire two part time individuals for the baseball program, to contract with a tennis instructor and to hire one person to assist with the Fun in the Park program.

MOTION 05R-21-96 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD TO APPROVE HIRING BRETT DALE AT \$8.00 AN HOUR AND TOM WHITSEL AT \$6.00 AN HOUR FOR THE BASEBALL PROGRAM, TO HIRE A "FUN IN THE PARK" PROGRAM PERSON AT \$5.00 AN HOUR AND TO CONTRACT WITH JAN COSTELLO FOR TENNIS INSTRUCTION AT A COST OF \$1920.00. MOTION CARRIED UNANIMOUSLY.

Virginia Dolmar addressed the Council and spoke on the possibility of

CAREFREE COTTAGES AND HOMESTEAD COOPERATIVE BE APPROACHED FOR FUNDING.
MOTION CARRIED UNANIMOUSLY.

The Council discussed using the dividend money from the Telephone Company to pay for the hydrant.

Jane Michaud mentioned that a conference is being held at Cragun's on June 25 - June 26 for law enforcement personnel and Council members and recommended that someone from Crosslake attend.

The Fire Department responded to eight calls in April. Two were medical emergencies and six were fire calls consisting of three structure fires and three chimney fires.

The Police Department reported seventy incidents in Crosslake and twenty-five in Mission Township in April.

LONG RANGE CAPITAL PLANNING -

Public meetings will be held to explain the results of the sewer study which has been underway.

Immaculate Heart Church has presented an offer to the developers for land for a central business district road. If the developers concur with the proposal, it will be brought to the Council for approval.

PERSONNEL -

Mayor Kolesar reported the resignation of Mike Teems of the Public Works Department effective April 1st and thanked Mike for his years of service.

The Police salary benefit portion of the Union contract has been turned over to State Arbitrators for resolution.

Information was distributed to the Council on drug testing for City employees. The issue will be discussed at a later meeting.

The need for department heads to attend Council meetings and be paid compensatory time was discussed.

MOTION 05R-14-96 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD THAT AT THE REQUEST OF EITHER THE LIAISON OR THE MAYOR OR CONCURRENCE OF THE STAFF MEMBERS THAT DEPARTMENT HEADS BE EXPECTED TO ATTEND COUNCIL MEETINGS ON A COMPENSATORY TIME BASIS. MOTION CARRIED WITH CHUCK MILLER VOTING NAY.

PARK AND RECREATION -

Rob Larson reported that four bids had been received for the clearing and grubbing of the ball field which were opened on April 17th. The low bid was received from Wannebo Excavating Inc. at \$11,862.50. The Commission requested approval to accept this bid along with utilizing the City Engineer for flagging, re-shooting of the topography and construction staking in the amount of \$3,650.00.

MOTION 05R-15-96 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD TO

the Garden Club erecting a peace pole at the Community Center as a reminder of peace on earth, at home and in our community. It was suggested that the idea be presented to the Park and Recreation Commission at their next meeting.

RECYCLE -

A total of 30.04 tons of material have been recycled year-to-date.

Al Benson, owner of Crosslake Sanitation, addressed the Council and commented that the recycling program is going great. He is planning to erect a building in June and the recycling bins will then be out of the weather. The volume of activity in 1996 is 150% over 1995. Al commented that the funding for recycling being changed by the County so requested that he be a part of the City budget process in August.

ECONOMIC DEVELOPMENT AUTHORITY -

Ray Smyth reported on a meeting that was held jointly with the City Council to approve the issuing of bonds through Northern National Bank for \$640,000.

EDUCATION COMMITTEE - Nothing

NEW BUSINESS - Nothing

OLD BUSINESS - Nothing

PUBLIC FORUM -

Dean Swanson commented that the purpose of the Park Dedication Fee, which was implemented when he was on the Council, was for use on the building or on equipment and not limited to the grounds. Ray Smyth stated the Statute mandates the fees be preserved for parks, playgrounds or open space. The issue will be clarified by the City Attorney.

Tom Hirschbach asked when something would be done with the bridge on Sunrise Island.

Virginia Dolmar asked who was responsible for cleaning the cigarette butts on the grounds at the Post Office and the Telephone Company.

Chuck Miller commented on the fees associated with the Community Center and wondered how many people would not be able to take part in the programs if everything requires a fee.

MOTION 05R-22-96 WAS MADE BY CHUCK MILLER AND SECONDED BY RAY SMYTH TO ADJOURN THE MEETING AT 9:44 P.M. MOTION CARRIED UNANIMOUSLY.

Transcribed and edited by:



Arlene A. Buchite
City Clerk/Treasurer

SPECIAL COUNCIL SESSION
CITY OF CROSSLAKE MINNESOTA
TUESDAY, MAY 7, 1996
1:30 P.M. AT CITY HALL

The Council for the City of Crosslake met in the Council Chambers of City Hall on Tuesday, May 7, 1996. The following Councilmembers were present: Mayor David Kolesar, Charles Miller, Raymond Smyth and Jack Webster. Jane Michaud arrived at approximately 1:35 p.m. Present from the EDA were Miles Johnson, Gilroy Arvig and Bill Reed. Also present was Sid Inman from Ehlers and Associates, Inc.; reporters Jean Paul Hudon and Christine DuFour; and City Clerk Arlene Buchite. There were no residents present.

Mayor Kolesar called this meeting to order at 1:30 p.m. stating that the purpose of this meeting was to consider proposals for, and awarding the sale of \$640,000 General Obligation Community Center Bonds. He then turned the meeting over to Sid Inman from Ehlers and Associates, Inc.

Mr. Inman explained to the Council that the sale of the bonds was through Northern National Bank of Crosslake and the interest rate was very good considering the early recall clause that will allow the City to pay them off early if the City obtains the RUS grant they have applied for. The 1997 interest rate is 5.05 percent with the 2011 interest rate at 6.35 percent. Mr. Inman also explained that with the early recall clause, if interest rates dropped considerably, it may be possible to re-sell bonds at a later date but the costs would have to be carefully reviewed.

MOTION NO. 5S1-01-96 WAS MADE BY RAYMOND SMYTH TO APPROVE THE RESOLUTION ACCEPTING PROPOSAL ON SALE OF \$640,000 GENERAL OBLIGATION COMMUNITY CENTER BONDS, SERIES 1996, PROVIDING FOR THEIR ISSUANCE, AND LEVYING A TAX FOR THE PAYMENT THEREOF. MOTION WAS DULY SECONDED BY CHARLES MILLER AND PASSED UNANIMOUSLY.

MOTION NO. 5S1-02-96 WAS MADE BY JANE MICHAUD AND SECONDED BY JACK WEBSTER TO ADJOURN THIS SPECIAL COUNCIL SESSION AT 1:46 P.M. MOTION PASSED UNANIMOUSLY.

Recorded and transcribed by:

Arlene A. Buchite

Arlene A. Buchite
City Clerk/Treasurer