

COUNCIL PROCEEDINGS
CROSSLAKE MINNESOTA
SPECIAL SESSION
MAY 14, 1987 at CITY HALL
7:00 p.m.

The City Council of Crosslake Minnesota met in a special session on Thursday, May 14, 1987 at 7:00 p.m. in the Council Chambers of City Hall. The following members were present: Mayor Oliver Courts and Councilmembers Elizabeth Andolshek, Lyle Arends, Diana Gallaway and Oliver Yates. Also present were Road Commission members Jim Fager, Chairman, Scott Gallaway, Rudy Koksman, and Dale Dickey; Telephone General Manager Anthony Mayer; George Kriha from Widseth Smith Nolting and Associates; Duane Fennema from Batzer Construction; and Mike Hayes from Zigler Incorporated.

Mayor Courts called this special meeting to order at 7:00 p.m. and indicated that the two main topics for this meeting were (1) possible purchase of a road grader and (2) the second year of the proposed five-year road program. Mayor Courts called on Mr. Kriha.

Mr. Kriha explained that Bruce Buxton who has been the representative from Widseth Smith Nolting and Associates to the City was called out of town and unable to attend this meeting. Mr. Kriha showed the Council the roads which were done last year and the roads proposed for this year on a map. He then stated the steps which would be followed to implement the second year plan which would start with a feasibility study. The feasibility study would outline the costs of the construction and the costs of the total project including the property assessment. The feasibility study would then be submitted to the Council and if the Council elects to proceed with the project a preliminary hearing would be called with all affected citizens invited. If the Council decides to proceed after the preliminary hearing the engineer will prepare plans and specifications for the project. The Council will then receive a preliminary report and prior to taking bids they will receive a final cost estimate. After the construction is completed the engineer will write a letter to the City approving the final payment to be made. All affected property owners will then be notified what their assessment will be.

Mr. Kriha indicated a rough estimate for this year's project would be approximately \$400,000.00 for the estimated five and one-half miles of road construction. When asked what the approximate engineering costs would be Mr. Kriha replied that an estimate would be \$800.00 for the feasibility study, \$23,000.00 for designing up to the point of letting the bids, \$16,000.00 during construction, and \$4,300.00 for preparing the final assessment roll. Mr. Kriha also said that approximately seventy percent of the street and roads need legal descriptions and right-of-ways and that could cost between \$7,500.00 and \$10,000.00.

Mr. Kriha said what would be involved is to take a path and construct it to a width of thirty feet, ditch each side, crown the road and then cover it with four inches of class five material. Mr. Kriha said there is no way of knowing how much of the cable and telephone lines would have to be replaced.

Mayor Courts thanked Mr. Kriha and asked if he would send a letter to the Council outlining the costs and steps that he had presented.

Don Engen, Financial Advisor for Crosslake said he was asked by Mayor Courts to come and talk to the Council regarding the feasibility of purchasing a road grader. Mr. Engen said the Council will have to take into consideration not only how much the City is paying each year for road grading and snow plowing but also the road project, city hall remodeling and any other item the City may be undertaking or buying. Mr. Engen stated that purchases must be cost effective. He indicated that the City is paying for approximately 100 to 150 hours of grading to contractors at present which would not justify purchasing a grader for \$46,500.00. He stated that the City should justify 1,500 hours a year to make the purchase economically feasible. If the City did not proceed with the five year road program that would also make some justification for the purchase. Mr. Engen said it would not be wise for the City to push their debt limit as the City is in an envious position now with their finances as they are.

Mr. Engen stated that a cost estimate without figuring the initial cost of the grader would be approximately \$15.00 for labor, \$5.00 for benefits, and \$4.00 for gas and oil for a total of \$24.00 per hour.

Mayor Courts thanked Mr. Engen for his time and advise. Mr. Engen indicated he would write a letter to the Council outlining his presentation.

Rudy Koksma from the Road Commission said that Crosslake could utilize a road grader for far more hours than the City is paying to outside contractors. The City roads could be graded right after a rain, ice could be scraped in the winter and much of the proposed road project could be done with the present street department crew. He said he felt it would be cost foolish to go with the road plan and not to purchase a grader.

Pat Hoag said he did not feel that too many of our roads are in bad shape. He indicated that he would be able to do most of the work on the dirt roads.

Mayor Courts said he would like to see the Road Commission and Pat Hoag come up with a five year road program to justify purchasing the grader. He indicated that if some engineering was needed the City could hire one for a few hours or whatever it would take.

Postponing the Five-Year Road Project was discussed briefly.

Mr. Duane Fennema said that the grader from Batzer construction has a six cylinder engine instead of a four cylinder, it has ten more horsepower, that it originally sold for more than the 120G from Zigler, and it would probably do a little more work than the slightly smaller machine. He said they were asking \$6,400 more for their machine because it is a bigger and heavier machine.

Mr. Hayes said his machine does not have 15.5 tires but otherwise it is

comparable. He said the machine he was offering is from the City of Albert Lea and has had excellent care. Mr. Hayes said that Zigler was offering a full year warranty on the powertrain and Batzer was not.

Pat Hoag said both machines appeared to be good machines but that the one from Batzer was leaking oil in several places. Councilman Arends said both machines are good machines. Gary Ennenga, Road Commission member, told Mayor Courts that the Zigler machine was a fine machine.

MOTION NO. 5S3-01-87 WAS MADE BY COUNCILMEMBER GALLAWAY AND SECONDED BY COUNCILMEMBER ARENDS TO PURCHASE THE ROAD GRADER FROM ZIGLER, INC. IF THE ROAD COMMISSION COMES UP WITH A ONE YEAR PLAN THAT JUSTIFIES THE PURCHASE AND ALSO FOR THE ROAD COMMISSION TO LOOK AT THE POSSIBLE NEED FOR ADDITIONAL PERSONNEL THAT WOULD BE CAPABLE OF HANDLING THE ROAD GRADER AND SNOW PLOW. MOTION PASSED UNANIMOUSLY.

A special meeting was discussed and set up for May 28, 1987 to make the final decision on the purchase of the road grader.

MOTION NO. 5S3-02-87 WAS MADE BY COUNCILMEMBER ANDOSLHEK AND SECONDED BY COUNCILMEMBER GALLAWAY TO ADJOURN THIS SPECIAL COUNCIL SESSION AT 9:07 P.M. MOTION PASSED UNANIMOUSLY.

Recorded and transcribed by:



Arlene A. Buchite
City Clerk/Treasurer