

CITY OF CROSSLAKE
COUNCIL PROCEEDINGS
SPECIAL SESSION
June 19, 1989
7:00 p.m. at City Hall

The City Council for Crosslake Minnesota met in a regular session on Monday, June 19, 1989 in the Council Chambers of City Hall. The following council members were present: Mayor Kurt Anderson, Lyle Arends, Roger Burshem, Diana Gallaway and Charles Miller. Also present was City Clerk Arlene Buchite and approximately 10 individuals.

Mayor Anderson called this special meeting of the Council to order at 7:00 p.m. and announced that the primary purpose of this meeting was to review bids on the new loader that the City was contemplating to buy. Mayor Anderson stated that there were four bids received and they were from: Road Machinery bidding a Dresser Model 515B loader at \$62,882.00; North Country Equipment bidding a John Deere Model 444E at \$60,534.52; Ziegeler bidding a Catapillar IT18B at \$68,028.00; and Power Equipment bidding a Case W14B at \$62,637.00. All companies furnished the required bid bond. Delivery on the machines ran from 30 days to 180 days. Interest on the five year lease purchase ran from 8½ percent to 9 percent. Option No. one for a five year lease warranty was bid only by North Country at \$4,000.00 and Option No. two for auxillary hydraulics was \$1,420.00 for the John Deere and was included in the bidding price for the Catapillar and Case machines. Scheduled maintenance costs were lowest for the Dresser with John Deere next. Two companies bid buy back and they were Ziegeler and Power Equipment. Mayor Anderson said the Road Commission was recommending that the City purchase the John Deere from North Country Equipment at Grand Rapids for \$60,534.52.

Councilmember Arends said he does not feel that the City needs a big loader because another employee will be needed to utilize it to its fullest capacity and we do not have another employee in the budget. Mr. Arends said the City can hire a loader and operator cheaper than the expenses on a loader. Councilmember Gallaway asked about the five year lease option and was told that the City would seek longer financing if the loader is not paid up in that time.

Councilmember Arends asked about money in the street department capitol outlay fund. Road Supervisor Pat Hoag said he thinks there is about \$34,308.00 remaining from unused funds since 1984. Mr. Hoag said he thinks there is about 10 years left in the dump truck. Councilmember Gallaway suggested that Mr. Hoag keep an on going updated plan for future purchases of equipment which includes purchases and left over budgeted capitol outlay funds.

MOTION NO. 6S-01-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO PURCHASE A FRONT END LOADER. MOTION PASSED WITH COUNCILMEMBER BURSHEM, GALLAWAY AND MILLER VOTING AYE. COUNCILMEMBER ARENDS VOTED NAY. Mr. Miller said he wanted to make sure the Council agreed to purchase a loader before any more discussion.

Discussion ensued on whether the City needed a loader as large as the John Deere. Mayor Anderson said it would be easier to have one that was too large than too small and it would also be easier to sell a large loader. Councilmember Arends said he feels the City could hire equipment a lot cheaper than owning it. Councilmember Miller said the City will not be hiring any new employees to run the equipment but one of the three existing road employees will run it.

Mayor Anderson said with \$34,308.00 in capitol outlay the City will only need \$26,000 plus interest over the next five years to pay for the machine.

A citizen present said the City should evaluate how many hours the road grader is used. He said he does not feel that the City needs a loader that large. Councilmember Arends said that ditches cannot be done with a loader and Crosslake does not have any water problems.

Councilmember Burshem suggested that the City may be able to rent the machine out to the County for some jobs. Mr. Miller said that the City is also growing and will keep needing larger equipment.

MOTION NO. 6S-02-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER BURSHEM TO ACCEPT THE ROAD COMMISSIONS RECOMMENDATION TO PURCHASE THE JOHN DEERE 444E FROM NORTH COUNTRY EQUIPMENT IN GRAND RAPIDS FOR THE PRICE OF \$60,534.52 WITH DELIVERY IN 30 TO 90 DAYS WITH A FIVE YEAR LEASE TO PURCHASE AT 8 PERCENT INTEREST. Councilmember Gallaway said she would like to have one more question answered before the vote and that was if Mr. Hoag had checked into leasing the equipment for a year to see if the City would utilize it to the fullest capacity. Mr. Hoag said the Road Commission recommended that he bid the loader and this is the fourth time it has been bid.

A dealer present said even though his machine was not the one the City was going to buy he felt that the City should purchase the 5 year warranty also. It was the consensus of the Council that the warranty was not necessary. Mr. Hoag said Option No. 2 for the for the blank hook for the snowblower and brush hog should be purchased now also and the salesman said it would be cheaper to purchase now. COUNCILMEMBER MILLER ADDED OPTION TWO TO HIS MOTION TO PURCHASE AND COUNCILMEMBER BURSHEM SECONDED THE ADDITION. MOTION PASSED WITH COUNCILMEMBERS BURSHEM, GALLAWAY AND MILLER VOTING AYE. COUNCILMEMBER ARENDS VOTED NAY.

The North Country Salesman asked about the payment schedule and said the City's legal counsel should review the contract. Mayor Anderson said he would let him know within two weeks what kind of a payment schedule would work for the City and what kind of annual payment would be made by the City.

PLANNING AND ZONING PENALTIES - The next item discussed at this special meeting was penalties for zoning violations within the City. Mr. Kingstedt said according to the City Attorney all we have to do is to

have the Council substantiate what the penalties are to be and post a list in the City Clerk's office. City Attorney James Gammello said we already have a penalty ordinance in Section 8.80 on page 218 of the Ordinance Book, according to Mr. Kingstedt. Mr. Kingstedt said no Public Hearing will be necessary.

Discussion ensued regarding harshness or leniency in penalties depending on the factual circumstances. Mayor Anderson said he feels the City should be alright with three different steps, namely just forgetting to get a permit, a flagrant violation and totally after the fact that requires a variance. It would be up to the Planning and Zoning Commission to determine the latitude, according to Mayor Anderson.

A citizen present said the City cannot fine anyone but the City can set penalties which can be enforced. Penalties can be double or triple the fee if you do not purchase them before work has begun. It was the consensus of the Council that the penalties will have to be of sufficient latitude so that violators will not be tempted to ignore obtaining a permit. For example if a variance is needed for a deck, if the builder puts up the deck because he knows instead of costing \$100 for the variance and \$20 for the deck he will build it because the maximum he may be charged is \$160. We need stiffer penalties of more teeth in the ordinance to make the person tear the deck off or double or triple the variance fee up to a maximum of \$700.

A citizen present said he feels there should be guidelines set up to that Mr. Nice Guy is charged the same for violations as someone who is not so well liked. Councilmember Miller said he thinks if we set hard and fast rules they will not stand up in Court.

Mayor Anderson said what ever the City adopts should be sent to the City Attorney for his wording. It should also be stated that the Planning and Zoning Coordinator will get no part of the penalties.

Discussion ensued regarding who the penalty should be against, the homeowner or the contractor. A contractor present said he does not feel that it should be his responsibility to pay a fine to do his daily business. Councilmember Miller said contractors should be responsible also because they know permits are required and should not commence work until they see the permit.

Councilmember Burshem said he is in real estate and has to help uphold one of the ordinances namely that of not selling a house unless it has a Certificate of Compliance for the septic system.

Mr. Kingsted read from Page 216 Section 8.70 where it states that it is unlawful for anyone to perform work without a permit as they can be as criminally liable as the homeowner. MOTION NO. 6S-03-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER ARENDS TO PASS THE FEE SCHEDULE SUBJECT TO SUBMITTING IT TO CITY ATTORNEY GAMMELLO FOR TERMINOLOGY SO IT CAN BE POSTED AND NOT CHANGE THE ORDINANCE. MOTION PASSED WITH COUNCILMEMBERS ARENDS, BURSHEM, GALLAWAY AND ARENDS VOTING AYE.

*Should read Miller
corrected 7-10-89*

WORKMAN'S COMPENSATION ORDINANCE - This was a continuation of discussion at the previous Council meeting. Workman's compensation for City Council members would be approximately \$106 per member. Mayor Anderson said the ordinance has never covered commission members that it states appointed members only because if a councilmember leaves office for any reason there is a new councilmember appointed to fill his term until the next regular election. Mayor Anderson said the term "appointed" never meant commission members. Mayor Anderson said he is totally against having workman's compensation insurance on council and commission members because it would cost the City between \$3,000 and \$4,000 a year.

Councilmember Arends said he remembers that it was put into effect primarily for the auxillary policemen. Mayor Anderson said that was not the purpose of the Ordinance and the City does not have any auxillary policemen anymore. Mayor Anderson said coverage for the Council would be approximately \$530 a year but he considers it a waste of money for the hour or so a month that the Council is covered.

Councilmember Gallaway said she feels the City should have it. Councilmember Miller said he also feels the City should have it. MOTION NO. 6S-04-89 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER MILLER THAT THE COUNCIL BE KEPT ON THE WORKMAN'S COMPENSATION INSURANCE AS LONG AS WE DO NOT HAVE TO PAY BACK PREMIUMS FROM 1982. MOTION PASSED WITH COUNCILMEMBERS ARENDS, BURSHAM, GALLAWAY AND MILLER VOTING AYE. MAYOR ANDERSON VOTED NAY.

Clerk Buchite said she would like some direction from the Council as to Jim Gallati's request to lease land on Cross Lake from the County according to a letter from Lansin Hamilton, Land Commissioner.

Discussion ensued regarding tax forfeit land and leasing of land on lake's by the County. It was the consensus of the Council that they had nothing against Mr. Gallati but they feel that the County should release the land to be sold and not lease it. The County gets the money from a lease and the City is supposed to approve it but they get nothing monetary for doing it. The Council feels that the City is assuming a liability but not receiving anything in return. MOTION NO. 6S-05-89 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER MILLER TO INSTRUCT THE CITY CLERK TO WRITE A LETTER SAYING THAT THEY EITHER SELL THE PROPERTY OR IF IT IS LEASE THE MONEY COMES BACK TO THE CITY. MOTION PASSED WITH COUNCILMEMBERS ARENDS, BURSHAM, GALLAWAY AND MILLER VOTING AYE. Mayor Anderson said he is anxious for the response since two months ago the City requested land be put up for sale and not into conservation and now the County is going to lease it and keep the money.

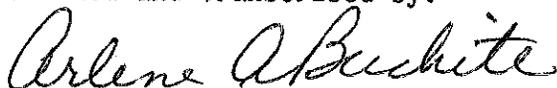
The Council discussed a letter from the League of Minnesota Cities regarding the legislative wrap up but none expressed interest in attending since the nearest session was at St. Cloud.

DREAM ISLAND TURNAROUND - Councilmember Miller said he and City Engineer Will Hoyt had met and discussed the problems with the end of the road

turnaround on Dream Island. Mr. Miller said there are many problems with houses misplaced and right-of-ways. The solution was to either stop the blacktop short of the end of the road or to blacktop some driveways in exchange for an easement and turn around. Mr. Miller said blacktopping the driveways is a simple solution to a big problem and he, a liaison to the Road Commission was recommending that the City Council do it. MOTION NO. 6S-06-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER ARENDS TO APPROVE THE AGREEMENT WITH THE LANDOWNERS AT THE END OF THE ROAD ON DREAM ISLAND TO BLACKTOP THEIR DRIVEWAY IN EXCHANGE FOR AN EASEMENT TO MAKE A TURN AROUND FOR THE CITY AND ALLEVIATE THE DRAINAGE PROBLEM. MOTION PASSED WITH COUNCILMEMBERS ARENDS, BURSHEM, GALLAWAY AND MILLER VOTING AYE.

MOTION NO. 6S-07-89 WAS MADE BY COUNCILMEMBER MILLER AND SECONDED BY COUNCILMEMBER ARENDS TO ADJOURN THIS SPECIAL COUNCIL MEETING AT 8:25 P.M. MOTION PASSED WITH COUNCILMEMBER ARENDS, BURSHEM, GALLAWAY AND MILLER VOTING AYE.

Recorded and transcribed by:



Arlene A. Buchite
City Clerk/Treasurer