

**COUNCIL PROCEEDINGS
CITY OF CROSSLAKE MINNESOTA
REGULAR COUNCIL SESSION
JULY 8, 1996**

The Council for the City of Crosslake met in the Council Chambers of City Hall on Monday, July 8, 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, Reporter Jean Paul Hudon and approximately 21 individuals in the audience.

Mayor Kolesar called the regular meeting to order at 7:00 P.M.

CRITICAL ISSUES - Bruce Bundgaard of the Crosslake Chamber of Commerce requested approval to allow Mystic Attractions to set up a mini carnival at the former Reed's store parking lot from August 3rd - August 6th. A copy of the Certificate of Insurance for Mystic Attractions has been obtained by the Chamber. The Chamber will receive 10% of the gross receipts. The Council discussed whether the City had any liability and it was determined they would not since it will not be located on City property. Parking and traffic were also a concern and Jane Michaud suggested they consult with the Police Department for suggestions on how to situate the carnival to maximize parking and alleviate traffic congestion.

MOTION 07R-01-96 WAS MADE BY CHUCK MILLER AND SECONDED BY RAY SMYTH TO APPROVE THE CHAMBER HAVING A CARNIVAL ON AUGUST 3RD TO AUGUST 6TH IN REED'S OLD STORE PARKING LOT. MOTION CARRIED UNANIMOUSLY.

George Riches presented the list of bids that had been received for the addition to the Emergency Services Center. The three firms submitting bids were Crosslake Construction at \$258,900.00; Norson Construction at \$272,900.00; and Gopher State at \$301,808.00. These amounts included bids for two alternates which include site work and electrical work for a generator in case of a power failure. After reviewing each of the bids, George Riches recommended awarding the bid to Crosslake Construction.

MOTION 07R-02-96 WAS MADE BY CHUCK MILLER AND SECONDED BY JANE MICHAUD TO AWARD THE BID FOR THE CONSTRUCTION OF THE NEW CITY HALL TO CROSSLAKE CONSTRUCTION AT A COST OF \$258,900.00 WHICH INCLUDES ALTERNATE #1 AND ALTERNATE #2. MOTION CARRIED UNANIMOUSLY.

Groundbreaking will be held at 9:00 A.M. on Friday, July 12, 1996.

CONSENT CALENDAR -

MOTION 07R-03-96 WAS MADE BY RAY SMYTH AND SECONDED BY JACK WEBSTER TO APPROVE ALL ITEMS ON THE CONSENT CALENDAR CONSISTING OF: (1) MINUTES OF JUNE 10, 1996 REGULAR COUNCIL MEETING; (2) MINUTES OF JUNE 17, 1996 SPECIAL COUNCIL SESSION; (3) TELEPHONE COMPANY FINANCIAL REPORT FOR MAY, 1996; AND (4) CROSSLAKE CABLEVISION FINANCIAL REPORT FOR MAY, 1996. MOTION CARRIED UNANIMOUSLY.

CLERK'S REPORT -

MOTION 07R-04-96 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO APPROVE ALL BILLS FOR PAYMENT CONSISTING OF: (1) GOPHER STATE PAYMENT #6 FOR COMMUNITY CENTER FOR \$105,744.50; (2) BOART LONGYEAR FOR THE WELL AT THE COMMUNITY CENTER OF \$10,228.00; (3) PORTAGE SAND AND GRAVEL FOR CLASS 5 FOR \$1,781.41; (4) BRAUN INTERTEC FOR EXCAVATION OBSERVATION AT COMMUNITY CENTER OF \$874.50; (5) GLENCO UNIFORMS FOR BULLETPROOF VEST OF \$621.50; (6) STARKKA OIL FOR GAS AND TOW OF \$113.73; (7) HERITAGE BANNER FOR SIX NEW FLAGS FOR \$204.00; (8) HEARTLAND TIRE FOR 2 TIRES FOR 1995 SQUAD FOR \$150.47; (9) CAREER CLOTHES FOR NEW BLOOD PRESSURE CUFF FOR \$38.87; (10) RONALD JOHNSON FOR SERVICE CALL ON CLERK'S COMPUTER FOR \$25.00; (11) STUDIO IN THE STICKS FOR BROKEN GLASS FOR \$22.87; (12) CROSSLAKE SANITATION FOR RECYCLING FOR \$950.00; (13) GAMBLER'S PRESS FOR PRINTING OF NEWSLETTER FOR \$161.88; (14) BONESTROO FOR WELL TEST PUMPING RECORDS AND DATA PLUS EXPENSES FOR \$663.96; (15) HONEY WAGON FOR BASEBALL FIELD FROM MAY 22 TO JUNE 22 FOR \$96.24; (16) GREG LARSON SPORTS FOR BASEBALL EQUIPMENT FOR \$718.37; (17) GAMMELLO SANDELIN P.A. ATTORNEY FEE FOR RETAINER FOR \$500.00; AND (18) ZIEGLER FOR \$96.16. MOTION CARRIED UNANIMOUSLY.

CORRESPONDENCE

The Crow Wing County Auditor has sent a letter requesting information on any local ballots the City would like included in the Primary Election. There were none to submit.

The League of Minnesota Cities requested a payment of \$108.00 to be used to assist in funding their Rights of Way Task Force. This task force will move forward with an aggressive work program and financing plan to challenge US West's public right-of-way issue.

MOTION 07-05-96 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD TO APPROVE PAYMENT OF \$108.00 TO THE LEAGUE OF MINNESOTA CITIES FOR THE RIGHT OF WAY TASK FORCE. MOTION CARRIED UNANIMOUSLY.

A request from the Central Minnesota Initiative Fund for a contribution of \$1,768.50 to support their Capacity Fund Campaign had been received this date.

MOTION 07-06-96 WAS MADE BY JANE MICHAUD AND SECONDED BY RAY SMYTH TO TABLE THE REQUEST FROM CENTRAL MN INITIATIVE FUND FOR A CONTRIBUTION OF \$1,768.50. MOTION CARRIED UNANIMOUSLY.

Jane Michaud reported on a meeting she had attended which addressed the requirement for Cities to certify local performance measures in order to be eligible for a new State aid (Local Performance Aid) being made available to cities in 1997. The City currently has procedures in place for monitoring performance and will enhance the reporting of efficiencies and effectiveness into 1997.

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Mayor Kolesar read the semi-annual report received from the Crosslake Ideal Lions Club showing a total of \$45,787 in donations from their gambling funds.

MAYOR'S REPORT -

Mayor Kolesar has been analyzing computer systems for the entire City for the past two months and requested approval from the Council to purchase systems for the Park and Recreation Department and the receptionist.

MOTION 07R-07-96 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD TO AUTHORIZE THE PURCHASE OF TWO COMPUTERS TO BE USED BY THE PARK AND RECREATION DEPARTMENT AND THE RECEPTIONIST NOT TO EXCEED \$8,500.00. MOTION CARRIED UNANIMOUSLY.

Upon recommendation of the City Attorney, the motion to hire George Riches as an employee needed to be rescinded.

MOTION 07R-08-96 WAS MADE BY RAY SMYTH AND SECONDED BY CHUCK MILLER TO RESCIND THE MOTION TO HIRE GEORGE RICHES AS AN EMPLOYEE AND TO HIRE HIM AS AN INDEPENDENT CONTRACTOR AND TO PAY THE COST OF \$1,000,000 INSURANCE POLICY AT A COST OF \$5,000. MOTION CARRIED UNANIMOUSLY.

The Mayor thanked all the residents who participated in the water sampling survey and especially Teri Hastings for all her hard work in coordinating the project. The results are in and should be available in a week or so.

COMMISSION REPORTS

PLANNING AND ZONING -

The Commission recommended approval of Ordinance 78, Third Series prohibiting communication towers within the City. This would reduce the chance of having several small towers of 40-60 feet all around town. Paul Sandelin had reviewed the new Federal law pertaining to this issue. Chuck Miller had a concern that the approval of this Ordinance would prohibit the Telephone Company from relocating their tower. After some discussion it was agreed the intent is to prohibit new towers and not prohibit the moving of the existing tower.

MOTION 07R-09-96 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO APPROVE ORDINANCE NO. 78, THIRD SERIES, SECTIONS 8.02, 8.20, 8.25, 8.26, 8.27, 8.28, 8.29, 8.30, 8.35 AND 8.37 DEALING WITH COMMUNICATION TOWERS AND PERSONAL WIRELESS SERVICES AS RECOMMENDED BY THE PLANNING AND ZONING COMMISSION. MOTION CARRIED UNANIMOUSLY.

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MOTION 07R-10-96 WAS MADE BY JANE MICHAUD AND SECONDED BY JACK WEBSTER TO PUBLISH A SUMMARY OF ORDINANCE NO. 78, THIRD SERIES. MOTION CARRIED UNANIMOUSLY.

The Commission recommended approval of Ordinance 82, Third Series dealing with adult uses. This Ordinance will replace the Ordinance regulating massage and sauna parlors and will be more comprehensive. Fees will be adopted by resolution at a later date.

MOTION 07R-11-96 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO ADOPT ORDINANCE 82, THIRD SERIES, SECTION 5.23 DEALING WITH ADULT USES AS RECOMMENDED BY THE PLANNING AND ZONING COMMISSION. MOTION CARRIED UNANIMOUSLY.

MOTION 07R-12-96 WAS MADE BY RAY SMYTH AND SECONDED BY CHUCK MILLER TO APPROVE PUBLISHING A SUMMARY OF ORDINANCE NO. 82, THIRD SERIES, SECTION 5.23. MOTION CARRIED UNANIMOUSLY.

Jack Webster requested approval to purchase software for the Planning and Zoning Office which would convert manual use of information such as tracking permits, inspections, licenses and etc. under one roof and consolidate individual residential files. The cost will be absorbed under the Planning and Zoning budget.

MOTION 07R-13-96 WAS MADE BY JACK WEBSTER AND SECONDED BY JANE MICHAUD TO PURCHASE PTWIN FOR WINDOWS FOR THE PLANNING AND ZONING DEPARTMENT AS A NON-BUDGETED ITEM WITH \$1000 FROM COMPUTER MAPPING AND \$1000 FROM FILING FEES FOR A TOTAL COST OF APPROXIMATELY \$1895 PLUS TAX. MOTION CARRIED UNANIMOUSLY.

PARK AND RECREATION -

The Commission requested approval to advertise for bids to complete the earth moving and final grading of the new ball fields.

MOTION 07R-14-96 WAS MADE BY RAY SMYTH AND SECONDED BY CHUCK MILLER TO ADVERTISE FOR BIDS TO COMPLETE THE EARTH MOVING AND FINAL GRADING AT SITE OF THE NEW BALLFIELDS. MOTION CARRIED UNANIMOUSLY.

The Crosslake/Ideal Lions donated \$10,000 for the purchase of equipment for the new Community Center.

MOTION 07R-15-96 WAS MADE BY RAY SMYTH AND SECONDED BY JACK WEBSTER TO ACKNOWLEDGE THE LIONS CLUB DONATION OF \$10,000 WITH THANKS FROM THE CITY COUNCIL. MOTION CARRIED UNANIMOUSLY.

Sue and Marty Conway have donated a Schwinn Airodyne exercise bike to the City.

MOTION 07R-15-96 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD TO APPROVE THE DONATION OF AN EXERCISE BIKE FROM SUE AND MARTY CONWAY WITH OUR THANKS. MOTION CARRIED UNANIMOUSLY.

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The Park and Recreation Department recommends submission of a grant proposal to the Otto Bremer Foundation. Rob Larson indicated there is interest in exercise equipment for teens and he would look to develop a weight lifting program if the grant is approved.

MOTION 07R-16-96 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO APPROVE APPLYING FOR A GRANT FROM THE OTTO BREMER FOUNDATION. MOTION CARRIED UNANIMOUSLY.

Rob Larson requested approval to hire a part-time program leader for the Fun in the Park program.

MOTION 07R-17-96 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD TO APPROVE HIRING SARA TRUE FOR THE FUN IN THE PARK PROGRAM AT \$5.00 PER HOUR FOR APPROXIMATELY 40 HOURS. MOTION CARRIED UNANIMOUSLY.

Ray Smyth reviewed the change orders which have been approved to date for the Community Center. The change orders total \$6,221.00 or less than 1% of the construction cost.

Chuck Miller left the meeting due to a work related emergency.

PUBLIC SAFETY -

North Ambulance had a total of 32 calls in June. Cindy Kulzer will be coordinating CPR courses with Rob Larson this Fall at the Community Center.

The Fire Department responded to 15 calls in June with 12 medicals, 1 structure fire and 2 automobile fires.

The Police Department reported 170 incidents in Crosslake and 20 in Mission Township.

There was a concern about the evacuation of the Corp of Engineers Campground during storms and John Backdahl and Bob Scott are following up on this.

The fire hydrant has been installed at the Community Center and stripping will be done to show no parking in the area surrounding the hydrant.

UTILITIES -

Marty Heino resigned as General Manager of the Telephone and Cable Company effective July 12, 1996 after eleven years of service.

MOTION 07R-18-96 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO ACCEPT THE RESIGNATION OF MARTY HEINO WITH REGRET FROM THE TELEPHONE AND CABLE COMPANY. MOTION CARRIED UNANIMOUSLY.

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Tom Mezzenga announced his resignation as Chairman of the Utilities Commission. The Commission appointed him vice chairman until his term expires in February, 1997. The Commission subsequently appointed Dene Carney as Chairman of the Commission.

MOTION 07R-19-96 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO APPOINT DENE CARNEY AS ACTING GENERAL MANAGER OF THE UTILITIES COMPANY ON A PART TIME BASIS AT A SALARY OF \$2,000 A MONTH EFFECTIVE JULY 1, 1996. MOTION CARRIED UNANIMOUSLY.

Three members of the Utilities Commission serve on an Investment Committee and have recommended that the City sell 23,391 Class A Shares of Rural Cellular Corporation stock in August when the six month IPO moratorium expires. This stock went on sale for the first time in February. This sale will leave the company with 80,000 Class A shares and 44,310 shares of Class B stock. The sale will generate approximately \$280,692.00 based on an average of \$12.00 per share. This sale will offset the total investment cost of all this stock of \$220,930.00.

MOTION 07R-20-96 WAS MADE BY JACK WEBSTER AND SECONDED BY JANE MICHAUD TO APPROVE THE SALE OF 23,391 SHARES OF RCC CLASS A STOCK. MOTION CARRIED UNANIMOUSLY.

It was also recommended by the Investment Committee that the City purchase one unit of the PCS program with MEANS.

MOTION 07R-21-96 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO APPROVE THE PURCHASE OF A NEW PERSONAL COMMUNICATIONS SERVICE PROGRAM THROUGH MEANS FOR APPROXIMATELY \$50,000. MOTION CARRIED UNANIMOUSLY.

It was recommended that Debby Floerchinger be appointed acting office manager pending mediation findings.

MOTION 07R-22-96 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO APPROVE THE TEMPORARY APPOINTMENT OF DEBBY FLOERCHINGER AS ACTING OFFICE MANAGER. MOTION CARRIED WITH JANE MICHAUD VOTING NAY.

There currently are 61 internet subscribers through the Telephone Company.

On Tuesday, July 23rd a meeting will be held at the Emergency Services Center to review the five year growth plan for the Utilities Company.

PERSONNEL -

Arbitration for the Police Department will be held on August 8th. In Mayor Kolesar's absence, Jack Webster will attend the meeting.

The Union has approved the pay scales and job descriptions for the two positions under consideration in the Park and Recreation Department.

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LONG RANGE CAPITAL PLANNING -

Mayor Kolesar requested approval of a resolution for a public hearing for TIF District 1-5 for the Crosslake Golf Course.

MOTION 07R-23-96 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD TO APPROVE THE RESOLUTION TO HOLD A PUBLIC HEARING ON SEPTEMBER 9, 1996 FOR TAX INCREMENT FINANCING DISTRICT 1-5 FOR THE CROSSLAKE GOLF COURSE. MOTION CARRIED UNANIMOUSLY. (Copy attached to these minutes)

The results of the sewer feasibility study cannot be completed until the water testing results are in.

ECONOMIC DEVELOPMENT AUTHORITY - Nothing

EDUCATION COMMITTEE - Nothing

NEW BUSINESS -

Jack Webster is considering attending the Small Cities Seminar in Winona the first part of August.

OLD BUSINESS -

Thelma Vaux will be meeting with the Mayor to discuss her property. No action was taken at the meeting.

PUBLIC FORUM -

Walt Hermerding, on behalf of the residents of Fawn Lake Road, expressed concern over the condition of Fawn Lake Road. He said the road is hazardous due to the dust and traffic. Part of the road is in Crosslake, part is in Mission Township and the rest in Breezy Point. Walt had attended the Breezy Point Council meeting and solicited their support to work with the other communities to improve the conditions. He suggested that the City at least remove the overgrowth of brush along side the road so traffic can flow. With County #11 closed, the traffic on Fawn Lake Road has even gotten worse. He estimated 350 vehicles on weekends and 275 on weekdays. Mayor Kolesar stated that the City is currently working on a total road plan and will certainly consider his request.

Chuck Miller returned to the meeting at 8:25 P.M.

PUBLIC WORKS -

Chuck Miller stated that he has directed the Public Works Foreman Pat Hoag to order the timbers for Sunrise Island Bridge.

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RECYCLE -

A letter from Minnesota Office of Environmental Assistance had been received and indicated that SCORE funding will be re-evaluated in 1997 and that hauling will possibly be bid out. It was suggested that the regional solid waste planner visit the site of Crosslake Sanitation to see what has been done with the recycling program in Crosslake.

PUBLIC FORUM -

Theresa Galatowich, a property owner on O'Brien Lake, addressed the Council requesting direction for seeking a road vacation. She had contacted District Court and was told the City does not have a procedure. It was recommended that she contact Teri Hastings to obtain plat information and it will be decided whether it is an issue for the District Court or the City.

MOTION 07R-25-96 WAS MADE BY JANE MICHAUD AND SECONDED BY RAY SMYTH TO ADJOURN THIS REGULAR MEETING AT 8:37 P.M. MOTION CARRIED UNANIMOUSLY.

Transcribed and edited by:



Arlene A. Buchite
City Clerk/Treasurer

WORD1:min96g

CITY OF CROSSLAKE, MINNESOTA

RESOLUTION NO. _____

RESOLUTION CALLING FOR A PUBLIC HEARING BY THE CITY ON
THE MODIFICATION OF THE DEVELOPMENT PROGRAM FOR
DEVELOPMENT DISTRICT NO. 1 AND THE CREATION OF TAX
INCREMENT FINANCING DISTRICT NO. 1-5.

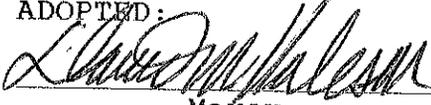
BE IT RESOLVED by the City Council (the "Council") of the City of
Crosslake, Minnesota (the "City"), as follows:

Section 1. Public Hearing. This Council shall meet on Monday,
September 9, 1996 at approximately 7:00 p.m., to hold a public
hearing on the proposed modification of Development District No. 1
and the creation of Tax Increment Financing District No. 1-5 (an
economic development district), all pursuant to and in accordance
with Minnesota Statutes, Sections 469.114 to 469.134, inclusive, as
amended; and Minnesota Statutes, Sections 469.174 to 469.179,
inclusive, as amended, in an effort to encourage the development
and redevelopment of certain designated areas within the City; and,

Section 2. Notice of Hearing; Filing of Program. Staff is
authorized and directed to modify the Development Program and
create the Tax Increment Financing Plan (the "Plans") and to
forward documents to the appropriate taxing jurisdictions including
Crow Wing County and Independent School District No. 186. The City
Clerk-Treasurer is authorized and directed to cause notice of the
hearing together with an appropriate map as required by law, to be
published in the official newspaper of the City not later than 10
days prior to September 9, 1996 and to place a copy of the Plans on
file in the Clerk's Office at City Hall and to make such copy
available for inspection by the public.

Dated: July 8, 1996

ADOPTED:


Mayor

ATTEST:



City Clerk-Treasurer