

**COUNCIL PROCEEDINGS
CITY OF CROSSLAKE MINNESOTA
PUBLIC HEARING AND REGULAR COUNCIL SESSION
JULY 10, 1995
6:30 P.M. CITY HALL**

The Council for the City of Crosslake, Minnesota met in the Chambers of City Hall on Monday June 12, 1995. The following Councilmembers were present: Mayor David M. Kolesar, Jane M. Michaud, Charles O. Miller, and John R. (Jack) Webster. Raymond P. Smyth joined the meeting at 6:37 P.M. Also present were City Clerk Arlene A. Buchite, City Attorney Paul Sandelin, City Engineer Darrell Schneider, several East Shore Road property owners and approximately 20 citizens.

Mayor Kolesar called the Public Hearing to order at 6:30 P.M. by stating that the hearing was called to discuss the paving of a portion of East Shore Road. The Mayor turned the meeting over to Darrell Schneider of Widseth, Smith and Nolting, the engineer who did the feasibility study for the road project. The petition submitted to the City at the onset of the project contained 75% of the required signatures needed to proceed with the study. Through the date of this meeting, several letters had been received in opposition to the paving project due to the cost being approximately \$45,000 or \$2,757.00 per property unit. The Carabou Point property owners were allocated to pay a half unit since they do not have direct access to the road and must maintain their own separate road which connects with East Shore Road. Their cost would be \$1,378.00.

The Council heard several comments from property owners. Those opposed felt the projected costs were too high for a road that is approximately 1/3 of a mile in length, that the legal and engineering fees of 20% or \$7,580.76 were too high, and that the property owners should not be responsible for fixing the drainage problem since fill will need to be added whether the road is paved or not.

After listening to various comments from the public, the Council agreed that the current assessment policy would be reviewed, that a list of roads in need of repair would be identified and that during the budget process the assessment policy will be discussed.

MOTION 07PH-01-95 WAS MADE BY CHUCK MILLER AND SECONDED BY JACK WEBSTER THAT THE EAST SHORE ROAD IMPROVEMENT PROJECT BE ABANDONED FOR NOW BECAUSE LESS THAN 75% OF THE PROPERTY OWNERS WERE IN FAVOR OF PROCEEDING. MOTION CARRIED UNANIMOUSLY.

MOTION 07PH-02-95 WAS MADE BY RAY SMYTH AND SECONDED BY CHUCK MILLER TO ADJOURN THE PUBLIC HEARING AT 7:20 P.M. MOTION CARRIED UNANIMOUSLY.

After a brief break, Mayor Dave Kolesar called the regular meeting to order.

CRITICAL ISSUES - None

MOTION 07R-01-95 WAS MADE BY CHUCK MILLER AND SECONDED BY RAY SMYTH TO APPROVE ALL ITEMS ON THE CONSENT CALENDAR CONSISTING OF: (1) MINUTES OF JUNE 12, 1995 REGULAR COUNCIL MEETING; (2) CLERK/TREASURER'S FINANCIAL REPORT FOR JUNE, 1995; AND (3) THE TELEPHONE AND CABLEVISION FINANCIAL REPORTS FOR APRIL AND MAY 1995. MOTION CARRIED UNANIMOUSLY.

CLERK'S REPORT - MOTION 07R-02-95 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO APPROVE ALL BILLS AS PRESENTED CONSISTING OF (1) BONESTROO, ROSENE, ANDERLIK & ASSOCIATES OF \$637.26 FOR THE ESC EXCLUDING THE BILL FOR \$703.90 PENDING FURTHER REVIEW; (2) UNIFORMS UNLIMITED FOR EQUIPMENT ON 1995 FORD OF \$1,512.30; (3) EDA FOR INTEREST PAID OF \$14,130.00; (4) GAMMELLO AND SANDELIN, P.A. FOR \$1,592.22; (5) CROSSLAKE SANITATION FOR \$950.00; (6) WIDSETH, SMITH AND NOLTING FOR EAST SHORE ROAD \$1,113.65; AND (7) PORTAGE SAND AND GRAVEL FOR \$1,799.57. MOTION CARRIED UNANIMOUSLY.

The official ballot for the August 29th referendum was read by City Clerk Arlene Buchite. By answering "yes" to the single question ballot, the City would be allowed to borrow money by issuing general obligation bonds in an amount not to exceed \$640,000.00 to finance a community center.

MOTION 07R-03-95 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD TO APPROVE THE OFFICIAL BALLOT AS PRESENTED AND HAVE THE CITY ATTORNEY CHECK THE PERCENTAGE TO SEE IF IT IS CORRECT. MOTION CARRIED UNANIMOUSLY. A copy of the official ballot is attached and becomes a permanent part of the minutes.

A letter from Brian Bittner in opposition to pole buildings in locations other than on industrial sites or for storage purposes removed from the general public was read by City Clerk Arlene Buchite.

A request had been received from Camp Hope Wagon Train to spend the night at the Community Center grounds on Tuesday, August 8th.

MOTION 07R-04-95 WAS MADE BY JACK WEBSTER AND SECONDED BY CHUCK MILLER TO ALLOW THE CAMP HOPE WAGON TRAIN TO SPEND THE NIGHT OF AUGUST 8TH IN THE COMMUNITY CENTER AREA. MOTION CARRIED UNANIMOUSLY.

MAYOR'S REPORT -

It had been requested by the League of Minnesota Cities that the City join in as a plaintiff against the contractor and the insurance company in the Community Center fire.

MOTION 07R-05-95 WAS MADE BY CHUCK MILLER AND SECONDED BY JANE MICHAUD THAT THE CITY NOT BE INVOLVED IN THE LAWSUIT AGAINST THE CONTRACTOR INVOLVED IN THE COMMUNITY CENTER FIRE. MOTION CARRIED UNANIMOUSLY.

PLANNING AND ZONING -

Mr. Paul McCulloch had requested rezoning of property on Daggett Pine Road from residential to commercial. The Planning and Zoning Commission denied the rezoning request at their meeting on Friday,

June 16, 1995. Mr. McCulloch was present at this meeting.

MOTION 07R-06-95 WAS MADE BY CHUCK MILLER AND SECONDED BY JANE MICHAUD TO UPHOLD THE PLANNING AND ZONING COMMISSION'S RECOMMENDATION TO DENY THE REZONING REQUEST BY PAUL MCCULLOCH. MOTION CARRIED UNANIMOUSLY.

LONG RANGE CAPITAL PLANNING - It was recommended that the City Council approve the removal, from the public land sale, Lots 6 and 7, Block 1 and Lots 1, 2, 3 and 4 of Block 2 of the Eugene Gendreau Addition to explore the feasibility of purchasing them for a future business park site.

MOTION 07R-07-95 WAS MADE BY CHUCK MILLER AND SECONDED BY JACK WEBSTER TO WITHHOLD THE TAX FORFEIT PROPERTY IN GENDREAU ADDITION FROM THE PUBLIC AUCTION FOR POSSIBLE CITY USE. MOTION CARRIED UNANIMOUSLY.

UTILITIES - The Utilities Commission requested Council approval to purchase two backup battery chargers for the front office.

MOTION 07R-08-95 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO APPROVE THE TELEPHONE COMPANY PURCHASING TWO BATTERY CHARGERS FOR \$16,750.00. MOTION CARRIED UNANIMOUSLY.

A request to add an addition to the Telephone Company warehouse was approved by the Utilities Commission.

MOTION 07R-09-95 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO APPROVE THE ADDITION TO THE TELEPHONE COMPANY WAREHOUSE AS PRESENTED NOT TO EXCEED \$50,000. MOTION CARRIED UNANIMOUSLY.

A request was made to change the job status for one of the outside plant employees from temporary to part-time because he has been with the Telephone Company for sometime and could not get a raise while in temporary status.

MOTION 07R-10-95 WAS MADE BY JACK WEBSTER AND SECONDED BY CHUCK MILLER TO CHANGE THE CLASSIFICATION OF A TELEPHONE COMPANY EMPLOYEE TO PART-TIME FROM TEMPORARY. MOTION CARRIED UNANIMOUSLY.

Mr. Dale Olmstead has resigned from the Utilities Commission and applications are being accepted at the Telephone Company to fill that position.

PUBLIC WORKS/CEMETERY -

At the June 19th meeting, the Commission recommended that the Council approve the widening of Wilderness Park Road to 66 feet. A legal opinion from the City Attorney's office as to the location of the right-of-way will be required prior to proceeding. A decision will be made at a later date.

The Public Works Department will receive the computer previously used by City Clerk staff. A new program will be installed which will allow them to manage work schedules, budget items, road inventory, maintenance schedules and equipment history.

The widening of Bay Shores Road is still under review. The

trees to be removed will be marked by the Public Works Department and residents will be allowed to view prior to any clearing.

Bids will be accepted for the dump truck again this fall. It was suggested that a minimum dollar amount be placed in the ad.

At a special Public Works Commission meeting held on June 22nd, the members accepted the proposed assessment policy as revised by Widseth, Smith and Nolting. This policy will be on the agenda for the next Council meeting.

The Public Works Department was commended for their landscaping work on the Emergency Services Center grounds.

PUBLIC SAFETY -

In May, North Ambulance had 25 call-outs with 23 patients transported. In June, they had 30 call-outs with 23 patients transported.

The Fire Department had a total of 21 calls with 16 medicals and 5 fires.

The Police Department had 163 incidents in Crosslake and 37 incidents in Mission Township.

The Public Safety Commission recommended a change in the speed limit to 35 miles per hour from the Pine River Bridge to County Road #16. A letter had been drafted to the Crow Wing County Commissioners which requests immediate approval by the Minnesota Department of Transportation to effect the change.

The firemen's dance is scheduled for Saturday, July 29th at 9:00 P.M. at the Emergency Services Center.

RECYCLING -

There were 102 participants at the June drop off site. The Recycling Committee will hold a meeting at City Hall on Friday, July 14th at 1:00 P.M. to discuss changes in the recycling program.

Councilmember Chuck Miller left the meeting at 8:20 P.M.

LONG RANGE CAPITAL PLANNING -

The Mayor had received drawings from a volunteer architect which showed an addition to the Emergency Services Center which would house the City Clerk's Office, Council Chambers, Planning and Zoning and the Police Department. These drawings have been distributed to the department heads for review. Cost estimates will be obtained and it is hoped the sale of the current City Hall will cover the cost of the addition.

The City Engineer's office had prepared some optional road plans in

the area of the Catholic Church for review at the Long Range Planning meeting.

Possible sites for baseball fields are being reviewed and the City is being mapped for possible biking and walking paths. Senior housing and apartment rentals are being investigated.

PERSONNEL -

A meeting will be held with the State Mediator on July 25th to discuss benefits and salaries for the City employees.

Monthly staff meetings are being held with the City employees. Some good ideas are coming out of these meetings and many are being implemented. A common annual review form is being worked on to evaluate employees and will be presented to the Council at a later date. Employees have been asked to keep time sheets so a determination can be made if additional personnel is needed.

PARK AND RECREATION -

Two things are being worked on in cooperation with the Long Range Planning Committee. One being the type of things to be placed on the total Community Center property and, secondly, possible sites where a baseball field may be placed.

The tennis instruction program went well. There were 18 participants in the program.

A resolution for the RUS (Rural Utilities Service) grant loan was read by Ray Smyth. This resolution would authorize the Brainerd Lakes Area Development Corporation to serve as the loan recipient for the grant which has been applied for. Because the City owns the Telephone Company there is a concern with the relationship between the Telephone Company, the City and the EDA and, therefore, could result in the Telephone Company not receiving the loan.

MOTION 07R-11-95 WAS MADE BY RAY SMYTH AND SECONDED BY JANE MICHAUD TO ADOPT THE RESOLUTION THAT A REQUEST BE MADE TO BLADC TO SERVE AS THE LOAN RECIPIENT OF THE GRANT FOR WHICH THE CROSSLAKE TELEPHONE COMPANY HAS SUBMITTED APPLICATION TO RUS TO ASSIST IN FINANCING THE PROPOSED CROSSLAKE COMMUNITY CENTER. MOTION DID NOT PASS WITH JACK WEBSTER AND JANE MICHAUD VOTING NAY AND RAY SMYTH VOTING AYE.

MOTION 07R-12-95 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH BE IT RESOLVED THAT A REQUEST BE MADE TO BLADC TO SEE IF THEY WOULD BE INTERESTED IN SERVING AS THE LOAN RECIPIENT, AT NO CHARGE, OF THE GRANT FOR WHICH THE CROSSLAKE TELEPHONE COMPANY HAS SUBMITTED APPLICATION TO RURAL UTILITIES SERVICE. MOTION CARRIED UNANIMOUSLY.

Tom Mezzenga will meet with BLADC on Wednesday, July 12th.

Ray Smyth stated that he is in the process of developing an informational brochure of the Community Center project. It will include a description of the building and the various financial and tax implications. The brochure will be mailed out the last week

of July.

MOTION 07R-13-95 WAS MADE BY RAY SMYTH AND SECONDED BY JACK WEBSTER TO SET THE PUBLIC HEARING DATES FOR THE CROSSLAKE COMMUNITY CENTER ON SATURDAY, AUGUST 12TH, AT 10:00 A.M. AND MONDAY, AUGUST 21ST, AT 7:00 P.M. AT THE EMERGENCY SERVICES CENTER BUILDING. MOTION CARRIED UNANIMOUSLY.

ECONOMIC DEVELOPMENT AUTHORITY - Nothing

EDUCATION COMMITTEE - Nothing

NEW BUSINESS -

Pat Graham, a weekend resident, addressed the Council and indicated he was given a camping permit for two years and was to have his home completed at that time. He stated another individual had two years and, because he had not gotten a camping permit, was given another two years for a total of four years to construct a dwelling. Mr. Graham felt this unfair and stated all individuals should be treated the same.

Ron Barger, another weekend resident, had received a certified letter from Ted Pederson in December of 1993 stating that they had two years to build their house from the time they purchased their lot. (City Ordinance provides for camping permits not to exceed 180 days - two 3 month permits.)

Councilmember Webster had spoken to both individuals regarding this issue and had told them that the City did not know that the individual being complained about was camping on the land for two years prior to contacting Planning and Zoning for a permit. A letter will be sent to the landowner from Planning and Zoning.

OLD BUSINESS -

The rental policy for the Emergency Services Center and the rental of tables and chairs was reviewed by the Council.

MOTION 07R-13-95 WAS MADE BY JACK WEBSTER AND SECONDED BY RAY SMYTH TO APPROVE THE RENTAL FEE SCHEDULE AS PRESENTED WITH THE FOLLOWING CHANGES: (1) TO LEAVE THE NON-PROFIT STATUS UP TO THE DISCRETION OF THE CLERK'S OFFICE; (2) TO MAKE THE PAYMENT SCHEDULE PER DAY AND NOT PER EVENT; AND (3) TO DISCONTINUE RENTING OUT TABLES AND CHAIRS. MOTION CARRIED WITH JANE MICHAUD VOTING NAY.

The fees charged for use of the facility is considered a service fee since the City does the setup of the tables and chairs and cleans the facility after the event.

The City Attorney had prepared a Municipal Expenditure Policy for Council review. A copy is attached and becomes a permanent part of these minutes.

MOTION 07R-14-95 WAS MADE BY JANE MICHAUD AND SECONDED BY RAY SMYTH TO ACCEPT THE MUNICIPAL EXPENDITURE POLICY AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

The concern expressed by two residents, at a previous meeting, regarding the use of public accesses will be addressed at the next Council meeting.

PUBLIC FORUM -

Colleen Jentsch from Brainerd Lakes Area Development Corporation indicated that the Crosslake Community Profile had been completed by the Minnesota Department of Trade and Economic Development. Copies were left with the City Clerk for dispensing.

Chuck Miller returned to the meeting at 9:10 P.M.

MOTION 07R-15-95 WAS MADE BY CHUCK MILLER AND SECONDED BY RAY SMYTH TO ADJOURN THIS REGULAR COUNCIL SESSION AT 9:10 P.M. MOTION CARRIED UNANIMOUSLY.

Recorded and edited by:



Arlene A. Buchite
City Clerk/Treasurer

CITY OF CROSSLAKE
MUNICIPAL EXPENDITURE POLICY

The City of Crosslake (the "City") recognizes the need for and desires to create a policy for municipal expenditures which is consistent with the requirements of Minnesota law.

The City recognizes that under Minnesota law a municipality or political subdivision may expend public money only when authorized expressly or impliedly by statute, and only for a public purpose. The City recognizes that there is no precise definition of a "public purpose" that will justify the expenditure of public money, but that the courts and legislature generally construe it to mean an activity as will serve as a benefit to the community as a body and which, at the same time, is directly related to the functions of government.

The City further recognizes that the mere fact that some private interest may derive an incidental benefit from the activity does not deprive the activity of its public nature if its primary purpose is public.

WHEREFORE, the City adopts the following guidelines for determining whether an expenditure of public money is a lawful expenditure:

- (1) The the primary object of an expenditure of City funds is to serve a public purpose; and
- (2) The City is authorized expressly or impliedly by statute to expend the funds; and
- (3) The expenditure has been authorized by the City Council.

If the above-referenced guidelines have been met the expenditure is a legal expenditure, although the expenditure may also involve as an incident an expenditure which, standing alone, would not be lawful.

Adopted on the 10th day of July, 1995.



David Kolesar, Mayor



Arlene Buchite, City Clerk