

REGULAR COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, JULY 13, 1998
7:00 P.M. – CITY HALL

The Council for the City of Crosslake met in the Council Chambers of City Hall on Monday, July 13, 1998. The following Councilmembers were present: Mayor Robert Scott, Donna Keiffer, Charles Miller, Raymond Smyth and Richard Upton. Also present was City Administrator Thomas Swenson, City Attorney Paul Sandelin, Deputy Clerk Darlene Roach and Ken Svec from the State of Minnesota Building Code Division. There were approximately eleven other individuals in attendance.

Mayor Scott called the regular meeting to order at 7:00 P.M. and thanked everyone for attending.

CRITICAL ISSUES – None

CONSENT CALENDAR – MOTION 07R-01-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER TO APPROVE ALL ITEMS ON THE CONSENT CALENDAR CONSISTING OF (1) MINUTES OF JUNE 1, 1998 PUBLIC HEARING AND SPECIAL COUNCIL MEETING; (2) MINUTES OF JUNE 13, 1998 PUBLIC HEARING; (3) MINUTES OF JUNE 16, 1998 SPECIAL COUNCIL MEETING; (4) TELEPHONE COMPANY FINANCIAL REPORT FOR MAY, 1998; (5) CABLE COMPANY FINANCIAL REPORT FOR MAY, 1998; (6) CITY MONTH END EXPENDITURE REPORT FOR MAY, 1998; AND (7) CITY MONTH END REVENUE REPORT FOR MAY, 1998. MOTION CARRIED UNANIMOUSLY.

MAYOR'S REPORT – Mayor Scott publicly thanked Terry and Ted Pederson and the many other volunteers who were involved in the Celebrate Crosslake activities. He stated that the event was a huge success due to the hard work of many people. He requested everyone's support of the Fireman's Dance which is scheduled for Saturday, July 25, 1998.

Mayor Scott commented that a public informational meeting will be held on August 22, 1998 with the Corp of Engineers to discuss the Pine River Dam renovation. He asked that the public wait to form an opinion until after they see and hear the presentation at the public informational meeting.

CITY ADMINISTRATOR REPORT –

1. Bills for Payment – **MOTION 07R-02-98 WAS MADE BY RAY SMYTH AND SECONDED BY RICHARD UPTON TO APPROVE THE BILLS FOR PAYMENT AS SUBMITTED IN THE AMOUNTS OF \$71,888.53 AND \$3,748.39. MOTION CARRIED UNANIMOUSLY.**

2. 6/17/98 Letter from City Attorney regarding Sewer Grant – The consultant for the wastewater treatment system has requested that a Legal Services Agreement be executed between the City Attorney and the City of Crosslake for forwarding to Rural Development. Attorney Sandelin has confirmed that a legal agreement is not needed with the bond counsel. MOTION 07R-03-98 WAS MADE BY RAY SMYTH AND SECONDED BY DONNA KEIFFER TO APPROVE THE LEGAL SERVICES AGREEMENT WITH CITY ATTORNEY GAMMELLO AND SANDELIN. MOTION CARRIED UNANIMOUSLY.

3. 6/03/98 Letter from Central MN Initiative Fund regarding Funding Request for Crow Wing County Capacity Fund Campaign. MOTION 07R-04-98 WAS MADE BY RAY SMYTH AND SECONDED BY CHUCK MILLER TO APPROVE THE PAYMENT OF \$2,020.50 FOR CENTRAL MINNESOTA INITIATIVE FUND. Councilmember Upton commented that the City has not been taking advantage of available funds and should do so in the future. He noted that over a ten year period, the City was the recipient of a \$1000 grant for use in updating the Comprehensive Plan. Mayor Scott asked why there was no one from the area on the Central MN Initiative Fund's steering committee. MOTION CARRIED UNANIMOUSLY.

4. 5/29/98 Memo from Minnesota Association of Small Cities regarding Annual Membership Dues - Councilmember Smyth asked whether the City benefited from membership in this association and City Administrator Swenson commented that they do focus on the interests of small cities. MOTION 07R-05-98 WAS MADE BY RICHARD UPTON AND SECONDED BY RAY SMYTH TO APPROVE THE PAYMENT OF MEMBERSHIP DUES IN THE AMOUNT OF \$385.70. MOTION CARRIED UNANIMOUSLY.

5. 6/24/98 Memo from City Administrator regarding temporary liquor license – The Crosslake Firemen's Relief Association requested a temporary beer and set-up license for their annual dance being held on July 25, 1998. MOTION 07R-06-98 WAS MADE BY DONNA KEIFFER AND SECONDED BY RAY SMYTH TO APPROVE A BEER AND SET-UP LICENSE FOR THE FIREMEN'S RELIEF ASSOCIATION FOR JULY 25TH AND JULY 26TH. MOTION CARRIED UNANIMOUSLY.

6. 7/06/98 Request from American Legion regarding beer license for Kountry Fair - American Legion Post #500 requested a one day temporary strong beer permit for Saturday, July 25, 1998. MOTION 07R-07-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER TO APPROVE A TEMPORARY ON-SALE LIQUOR LICENSE FOR THE AMERICAN LEGION FOR JULY 25, 1998. MOTION CARRIED UNANIMOUSLY.

7. 6/25/98 Letter from City Attorney regarding Ace Hardware Store TIF – City Attorney

Sandelin stated that a Development Agreement was prepared and presented to Mr. Barnes for his review. At the request of Mr. Barnes, a meeting was held on Tuesday, June 23rd at City Hall with Mr. Barnes, Attorney Bruce Bundgaard, Contractor Jim Cotten, Mayor Scott, City Administrator Tom Swenson and City Attorney Paul Sandelin present. At this meeting, Mr. Barnes stated that he was not in agreement with the proposed terms of the Development Agreement. He felt that he should be receiving a payback of more than seven years and objected to agreeing to indemnify and hold harmless the City or be responsible for any defense costs that the City would incur, if the Tax Increment Financing District was challenged and the City was required to defend its position. As of Wednesday, June 25, 1998, City Administrator Swenson confirmed that Mr. Barnes would not be pursuing Tax Increment Financing and has obtained financing from either the bank or another source.

8. 6/25/98 Memo from Sid Inman of Ehlers & Associates regarding negotiations with the developer of the Ace Hardware Store – A letter was received from Mr. Inman in response to three questions raised as part of the negotiations between the City and Mr. Barnes. These responses dealt with the maximum term of the increment being seven years as opposed to nine, the need to pass the “but/for” test in an existing district versus a new district and the need to hold the City harmless.

9. A resolution to decertify District 1-6 was reviewed by the Council. MOTION 07R-08-98 WAS MADE BY RICHARD UPTON AND SECONDED BY CHUCK MILLER TO APPROVE RESOLUTION NO. 98-21 BEING A RESOLUTION APPROVING THE DECERTIFICATION OF TAX INCREMENT FINANCING DISTRICT NO. 1-6 OF THE CITY OF CROSSLAKE. MOTION CARRIED UNANIMOUSLY.

10. – 17. The following correspondence was presented for Council information:

- 6/13/98 Letter from City Administrator regarding Pine River Dam Rehabilitation Project
- 6/18/98 Letter from Ochs Inc. regarding the LMCIT municipal life insurance pool 1998 renewal rate
- 6/29/98 letter from Berkley Risk Services regarding loss control recommendations
- 7/06/98 letter to Berkley Risk Services regarding loss control corrective actions
- 5/31/98 and 6/30/98 letter from Northern National Bank regarding pledge update information
- Thank you memo from Pequot Lakes High School Grad Blast Committee Graduating Class

- 6/02/98 minutes of the Crosslake Area Chamber of Commerce
- Spring 1998 Rush Lake Association of the Whitefish Chain newsletter

18. A letter was received from Robert Post of the Department of the Army in response to the Council's request for a public information meeting on the proposed rehabilitation project at Pine River Dam. A public hearing is scheduled for August 22, 1998 at 10:00 A.M. at the Crosslake Community Center.

A letter from the Star Lake Property Owners Association to Mr. Post was included for Council information.

COMMISSION REPORTS –

1. PLANNING AND ZONING –

- A. Minutes of the June 12, 1998 Conceptual Meeting of Proposed Downtown Development.
- B. Gerry Boe Permit Request – Mr. Boe purchased property last summer and under the existing Ordinance was required to update the non-conforming septic system. This spring, Mr. Boe requested a permit for construction of a porch and was denied due to the fact that the septic has not been updated. Mr. Boe requested that the issuance of a permit be approved by the Council without the requirement to update the septic system. It was the recommendation of the Planning and Zoning Department that Mr. Boe be required to upgrade the septic system since Mr. Boe did not show any type of hardship for not complying with the code. Zoning Administrator Teri Hastings has reviewed the purchase agreement for the property which states that it is the responsibility of the buyer to upgrade the system. MOTION 07R-09-98 WAS MADE BY RAY SMYTH AND SECONDED BY RICHARD UPTON TO REQUIRE MR. BOE TO UPGRADE THE NON-CONFORMING SEPTIC SYSTEM PRIOR TO ISSUANCE OF ZONING PERMIT FOR A PORCH. MOTION CARRIED UNANIMOUSLY.
- C. Ordinance 96, Third Series – The Planning and Zoning Commission recommended approval of Ordinance 96, Third Series which would limit earth movement and tree removal on commercially zoned property within the City. Mr. Lindholm, who owns property on Ann Street, commented that he was in agreement with the need for Ordinance 96 for various reasons. MOTION 07R-10-98 WAS MADE BY RICHARD UPTON AND SECONDED BY CHUCK MILLER TO APPROVE ORDINANCE 96, THIRD SERIES AMENDING CITY CODE SECTION 8.37 RELATING TO EARTH MOVING AND TREE REMOVAL ON COMMERCIALY ZONED PROPERTY FOR THE CITY OF CROSSLAKE.

MOTION CARRIED UNANIMOUSLY.

D. Building Code - After considerable time and research on the Uniform Building Code, the Planning and Zoning Commission requested direction from the City Council on whether to continue to pursue adoption of the code or to drop the matter at this time. Mr. Ken Svec of the Building Code Division of the State of Minnesota was present to answer any questions the Council may have in regards to the building code. Crosslake falls into an area, due to population, where the City can be exempt from adopting the Uniform Building Code. If the UBC were approved, it would follow the State code. Mr. Svec stated that the reason a city would adopt the code would be to assure all construction meets standards for fire and life safety. Mayor Scott asked Mr. Svec why the State did not make adoption mandatory if it was such a good thing. Mr. Svec pointed out that in 1976 it was mandatory, however, in 1978 became optional since it affected small business. It was in 1976, that all cities outside the metro area with a population of less than 2500 were exempted from adopting the Uniform Building Code. It was noted that some contractors in the City are in favor of the code while others are not. Teri Hastings stated that the area is fortunate to have good builders, however, sometimes problems do surface when remodeling is done. Mr. Svec commented that the ISO is currently working in the Midwest Region and reviewing cities for adequate water supplies for the fire department and whether or not the city has adopted the Uniform Building Code. Those Cities adopting the code would pay a lower insurance premium than those without a building code Councilmembers Smyth and Upton were in favor of a public hearing to determine if residents were "for" or "against" the City adopting the Uniform Building Code. MOTION 07R-11-98 WAS MADE BY CHUCK MILLER AND SECONDED BY RAY SMYTH TO REQUEST THAT THE PLANNING AND ZONING COMMISSION NOT PROCEED ANY FURTHER WITH THE BUILDING CODE AT THIS TIME. MOTION CARRIED WITH MAYOR SCOTT, CHUCK MILLER AND DONNA KEIFFER VOTING AYE AND RAY SMYTH AND RICHARD UPTON VOTING NAY.

2. LONG RANGE CAPITAL PLANNING – Mayor Scott reported that the Commission is making headway identifying which roads will have bike paths alongside the road. He commented that the City will be paying the costs associated with the bike paths and property owners will not be assessed.

3. UTILITIES – Kevin Larson commented that the bidding process for the Utilities Building has been completed with NorSon, Inc. being awarded the bid in the amount of \$415,000. The bids for the furniture are still being analyzed. A temporary trailer is located on the South side of the building and is serving as the office area during construction which will begin on July 14th. A ground breaking ceremony was held on July 1 and press releases prepared for the Lake Country Echo and the Brainerd Daily Dispatch.

The Utilities Commission recommended approval to accept the bid proposal from Kratz Communications, Inc. for Advanced Fibre Communications (AFC) equipment for \$112,675. There was some discussion as to whether the Telephone Company was required to go out for bids for this equipment. MOTION 07R-12-98 WAS MADE BY RICHARD UPTON AND SECONDED BY DONNA KEIFFER TO APPROVE THE BID FROM KRATZ COMMUNICATIONS, INC. FOR ADVANCED FIBRE COMMUNICATIONS ELECTRONIC NODES. MOTION CARRIED UNANIMOUSLY.

The annual cable TV strategic planning meeting was held on June 16th and survey results were discussed. There were 1,950 surveys sent out with a 28% return rate. Based on the surveys, new programming will take effect on September 1, 1998 and approval was requested to pass the programming cost increases and costs for the new programming along to the customer effective October 1, 1998 MOTION 07R-13-98 WAS MADE BY RAY SMYTH AND SECONDED BY RICHARD UPTON TO APPROVE THE RATE INCREASE OF NINETY NINE CENTS FOR CABLE INCREASING THE MONTHLY FEE TO \$19.94 EXCLUDING TAX. MOTION CARRIED UNANIMOUSLY. It was noted that KVRR (the second FOX channel out of Fargo) will be removed from local programming but arrangements have been made to show the Vikings football games when they are blacked out in the Twin Cities. MOTION 07R-14-98 WAS MADE BY RICHARD UPTON AND SECONDED BY DONNA KEIFFER TO APPROVE AN EXPENDITURE OF \$7000 FOR ADDITIONAL CABLE EQUIPMENT AS RECOMMENDED BY THE UTILITIES COMMISSION. MOTION CARRIED UNANIMOUSLY.

Crosslake Telephone now has over 813 long distance customers, 99 Voicemail customers and 240 Internet customers.

General Manger Larson reported that the first deadline in the Letter of Agreement to the United States Department of Agriculture has been met with the next deadline being July 31st. Attorney Sandelin will work with Mr. Larson to complete all items before the deadline.

A letter of resignation from the Utilities Commission member Don Engen was received. MOTION 07R-15-98 WAS MADE BY CHUCK MILLER AND SECONDED BY RICHARD UPTON TO REGRETFULLY ACCEPT THE LETTER OF RESIGNATION FROM DON ENGEN WITH A LETTER OF COMMENDATION BEING SENT TO MR. ENGEN. MOTION CARRIED UNANIMOUSLY.

4. PARK AND RECREATION - Interim Director Dennis Palm recommended that the services of Donna Keiffer be obtained to instruct morning aerobics from August 4th to August 28th at a cost of \$152.00. MOTION 07R-16-98 WAS MADE BY RAY SMYTH AND SECONDED BY CHUCK MILLER TO APPROVE CONTRACTING THE

SERVICES OF DONNA KEIFFER TO INSTRUCT MORNING AEROBICS FOR A FOUR WEEK SESSION FOR \$152.00 MOTION CARRIED WITH DONNA KEIFFER ABSTAINING.

Mr. Palm presented a monthly report on activities at the Park. He commended Tony Thelen and the Lions for the picnic shelter. He noted that the \$11,000 grant from the DNR for playground equipment has been approved. The department was involved in the Celebrate America effort providing tables, chairs and volunteers. Summer programs are seeing record breaking registrations. The new ball field dedication took place on June 22nd with approximately 75 persons in attendance. The 2nd annual 5K Walleye Run on Saturday July 4th was a huge success with 175 runners/walkers participating.

5. PUBLIC WORKS - Chairman Swanson commented that the Staley Road vacation has been dismissed by the petitioner.

A memo from City Administrator Swenson recapped the estimated costs for the Wilderness Trail project at \$245,127. Several options were presented for financing the project. One option is to approve a Reimbursement Resolution and track project costs to be included in a future bond issue and finance the entire project out of city reserves previously budgeted; a second option is to issue negotiated bonds with an area bank for \$250,000 to finance the 50% City cost and the 50% assessed to the property owner; or to issue negotiated bonds with an area bank for \$125,000 to finance the assessed costs and pay the City's portion out of reserves. City Administrator Swenson recommended approving a Reimbursement Resolution incorporating an estimated project cost of \$250,000 for the Wilderness Project. In addition, he recommended Ehlers and Associates be authorized to solicit proposals from area banks for up to \$125,000 of General Obligation Improvement Bonds. MOTION 07R-17-98 WAS MADE BY CHUCK MILLER AND SECONDED BY RAY SMYTH TO ADOPT RESOLUTION 98-23 ESTABLISHING PROCEDURES RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE. MOTION CARRIED UNANIMOUSLY.

MOTION 07R-18-98 WAS MADE BY RAY SMYTH AND SECONDED BY RICHARD UPTON TO AUTHORIZE UP TO \$125,000 IN BONDS FOR THE ASSESSABLE PORTION OF WILDERNESS TRAIL WITH THE CITY'S PORTION COMING OUT OF CITY RESERVES. MOTION CARRIED UNANIMOUSLY.

A letter to Jean Starkka from the Department of the Army was included for Council information.

Three petitions for road improvements were received and verified. MOTION 07R-18-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER TO APPROVE RESOLUTION 98-24 DECLARING ADEQUACY OF PETITION AND

ORDERING PREPARATION OF REPORT FOR IMPROVEMENT TO OJIBWA TRAIL. MOTION CARRIED UNANIMOUSLY.

MOTION 07R-19-98 WAS MADE BY CHUCK MILLER AND SECONDED BY RAY SMYTH TO APPROVE RESOLUTION 98-25 DECLARING ADEQUACY OF PETITION AND ORDERING PREPARATION OF REPORT FOR IMPROVEMENT TO JASON LANE AND STALEY LANE. MOTION CARRIED UNANIMOUSLY.

MOTION 07R-20-98 WAS MADE BY CHUCK MILLER AND SECONDED BY DONNA KEIFFER TO APPROVE RESOLUTION 98-26 DECLARING ADEQUACY OF PETITION AND ORDERING PREPARATION OF REPORT FOR IMPROVEMENT TO LAKESHORE DRIVE. MOTION CARRIED UNANIMOUSLY.

5. PUBLIC SAFETY - Councilmember Keiffer stated that a public hearing is scheduled for Saturday, August 1, 1998 at 9:00 A.M. in the Council Chambers to obtain public input on the proposed shooting ordinance. She encouraged individuals on both sides of the issue to be in attendance.

A letter from Joley Larson of Brainerd requested the City to review its current policy in regards to storm shelters for residents living in Chatham Park. City Administrator Swenson has called the League of Minnesota Cities and was informed that if the City allows the use of the Community Center during storms, the City is accepting liability. It was also noted that structures such as gymnasiums in Community Centers are not recommended for use as storm shelters due to how they are constructed. City Attorney Sandelin commented that State Statute requires mobile home parks to provide storm shelters or an approved evacuation plan to a storm shelter. He stated that the mobile home parks should be officially notified that the Community Center is not a storm shelter. The Council directed City Attorney Sandelin and City Administrator Swenson to send letters to Wilderness Park, Chatham Parks, Golden Rule Estates and the Corp of Engineers. The Department of Health will be contacted to see who is licensed in the City and would be required to provide storm shelters for their facility. The original intent for use of the Community Center was as a post storm facility. MOTION 07R-21-98 WAS MADE BY RICHARD UPTON AND SECONDED BY RAY SMYTH TO DIRECT THE CITY ADMINISTRATOR AND CITY ATTORNEY TO PROVIDE THE NECESSARY LETTERS TO THE OWNERS OF THE MOBILE HOME PARKS REGARDING USE OF CITY FACILITIES. MOTION CARRIED UNANIMOUSLY.

Public Works Chairman Swanson reported that field work for E911 addressing will be completed in Crosslake by August 21st, with address assignment by September 4th, postal approval by November 3rd and notification to property owners by November 24th. Residents will have one year from date of implementation to change their addresses.

The Police Department reported 147 incidents in Crosslake in June and 24 incidents in Mission Township.

North Ambulance reported 21 runs in April, 33 in May and 33 in June.

The Fire Department reported 17 calls in May and 16 calls in June for a year-to-date total of 85 calls.

7. PERSONNEL – Councilmember Smyth reported on the search for a Park and Recreation Director. Seventeen applications were received and seven individuals interviewed by City Administrator Swenson, Interim Director Dennis Palm and himself. The interview committee is close to identifying the successful candidate and a special Council meeting will be called to make the appointment.

Attorney Sandelin stated that the disciplinary proceeding has concluded for one of the employees and the veteran's preference hearing withdrawn. The City's decision was to suspend the employee for 100 hours.

8. LIBRARY COMMITTEE – Councilmember Smyth reported that the Committee is continuing to investigate the possibility of a library and will report back to the Council. The City will be required to absorb major costs associated with a library with the cost of the building being one of the major expenses. The City will also be required to levy for the library's annual operating expenses.

9. RECYCLING – A total of 28,513 pounds were recycled in June for a year to date total of 59.76 tons.

10. ECONOMIC DEVELOPMENT AUTHORITY – Nothing

11. OLD BUSINESS – Nothing

12. NEW BUSINESS – Mayor Scott welcomed Echo Reporter Betty Ryan to the meeting.

13. PUBLIC FORUM – Nothing

MOTION 07R-22-98 WAS MADE BY RICHARD UPTON AND SECONDED BY DONNA KEIFFER TO ADJOURN THIS REGULAR COUNCIL MEETING AT 9:50 P.M. MOTION CARRIED UNANIMOUSLY.

Taped and transcribed by:


Darlene J. Roach
Deputy Clerk

BILLS FOR PAYMENT			
13-Jul-98			
		PAID	
VENDOR	DEPT	CHECK #	AMOUNT
Anderson Bros - class 5	PW		\$15,614.21
Boyd Emerson - Reimburse fire number sign	PW		\$15.00
Brainerd Lakes Development Corp - 1st half payment	Govt		\$750.00
Brainerd National Bank July 22nd	Payroll		\$95.00
Brainerd National Bank July 8th	Payroll	26927	\$95.00
Build All Lumber - Picnic Shelter materials	Park		\$3,814.40
Coast to Coast - 2 trash cans	Park		\$19.15
Coast to Coast - 2 trash cans	Park		\$21.28
Coast to Coast - batteries	PW		\$2.55
Coast to Coast - electrical tap, silicone, hose clamps	PW		\$5.06
Coast to Coast - key	Park		\$1.34
Coast to Coast - letters	PW		\$13.23
Computer 1 - Print Artist	Park		\$39.94
Computer 1 - Ram at CC	Park		\$44.00
Council #65	Payroll	26928	\$67.50
Crosslake Auto - '94 Chev new starter, water pump, etc.	PD		\$606.87
Crosslake Auto - '95 Ford inspect brake lines	PD		\$31.92
Crosslake Auto - '95 Ford tighten lug bolts	PD		\$12.00
Crosslake Auto - '96 Ford - new wiper blade	PD		\$12.73
Crosslake Auto - Oil filter	PW		\$6.50
Crosslake Telephone	All		\$684.22
Crosslake Telephone Co - REA Loan Payment	Debt Svc		\$925.93
Crow Wing Coop - Garage lights	PW		\$17.48
Crow Wing Coop - Lights	Govt Bldg		\$482.00
Crow Wing Coop - Lights	Street Lgt		\$29.71
Crow Wing Coop - Lights	Warm Hou		\$43.64
Crow Wing Coop - Lights	Park		\$248.61
Crow Wing Coop - Warehouse lights	PW		\$42.80
Crow Wing County July 22nd	Payroll		\$83.06
Crow Wing County July 8th	Payroll	26929	\$83.06
Echo Publishing - P&Z ad	P&Z		\$15.40
Echo Publishing - P&Z ad	P&Z		\$15.40
Echo Publishing - P&Z assistant ad	P&Z		\$24.20
Echo Publishing - Park & Rec Ad	Park		\$19.40
Ehlers & Assoc - Ace Hardware Tif Expenses	TIF		\$1,230.00
Fyles - Portable	Park		\$121.56
Gammello & Sandelin - Legal fees	Legal		\$7,248.50
Great West Life & Annuity July 22nd	Payroll		\$240.00
Great West Life & Annuity July 8th	Payroll	26930	\$240.00
Greg Larson - Baseball bat template	Park		\$83.25
Greg Larson - Penn Yell ATP Tour S	Park		\$86.27
Greg Larson Sports - baseball bat, leg guards, etc	Park		\$69.79
Greg Larson Sports - Hammer baseball & Sr C405	Park		\$153.34
Greg Larson Sports - Umpire leg guard	Park		\$29.64
Greg Larson Sports - Walnut plaque	Park		\$15.50

Heartland Tire Svc - Plugs	PW		\$15.20
I Like it Like That - Computer services for cc	Park		\$105.00
Joos Electric - Svc call to fix field sprinkler	Park		\$75.00
Kack Drug - Film	PD		\$15.83
Lakes Printing - Newsletter publishing	Admin		\$155.06
Martin Communications - Connector Mini-uhf	PD		\$110.31
Mermaid Ent - Gasoline	PD		\$241.76
Mills - Posts (1/2 chamber, 1/2 Fire Dept)	Fire	50% reimburse	\$130.48
Mills Torch Kit	PS		\$77.36
MN Benefit Assn	Payroll	26931	\$78.48
MN Dept of Public Safety - Police plates	PD	26933	\$12.00
MN Insurance Trust - Premium Adjustment	All		\$806.00
MN Mutual Deferred Comp July 8th	Payroll	26932	\$120.00
MN Mutual DeferredComp July 22nd	Payroll		\$120.00
MN Playground Equipment -	Park		\$3,762.89
MN State Retirement Syst - July 8th	Payroll	26934	\$40.00
NAPA - Battery & core deposit	Fire		\$287.39
Napa Auto Parts - Air filter	PW		\$38.44
Napa Auto Parts - Air filters, Oil filters, valves	PW		\$120.01
North Country Equipment - Fuel pump, gasket	PW		\$54.26
Northwood Turf & Power - Belt, wheel	PW		\$81.46
Norwest Corp - Comm Ctr Govt Ob Bond Payment	Park		\$17,197.50
NSP	Comm Ctr		\$51.21
NSP	Garage		\$31.61
NSP	WH		\$21.83
NSP	Govt Bldg		\$35.59
Office Max - Office supplies	Adm		\$75.14
Office Max - Office supplies	Fire		\$5.63
Office Max - Office supplies	PD		\$22.44
PERA - Life Insurance	Payroll	26935	\$60.00
PERA - Retirement	Payroll	26936	\$2,223.85
Pine Motors - Dimmer switch & related work	PD	Squad	\$83.71
Pine River Oil - Gas & Diesel Fuel	PW		\$489.81
Reed's Market - Gas	PD		\$28.45
Reed's Market - Lime away, Dish soap	Park		\$8.04
Rural Cellular - Cell service	PD		\$33.67
Russell Martin Ind. - Burn Control Plus	Fire		\$199.00
Simonson Lumber - Misc picnic shelter material	Park		\$47.46
Simonson Lumber - Misc picnic shelter material	Park		\$16.17
Stevie Construction - Picnic shelter insulation & labor	Park		\$175.00
The Office Shop - Laser labels	Admin		\$7.42
The Welding shop - weld water line at picnic shelter	Park		\$60.00
Thomas Swenson - Vehicle Reimbursement	Adm	26937	\$300.00
Uniforms Unlimited - Body Armor for Erik Lee	PD		\$450.00
US Postal Svc - Postage for meter machine	Adm/P&Z	26939	\$1,000.00
Viking Coca Cola - pop	Park		\$53.41
Viking Coca Cola - pop	Park		\$28.19
Walmart - trash cans, metal shelving	Park		\$40.32
Westburne - Bushing, pipe, adapter	PW		\$48.76
Westburne Supply - Galvanized bushing, alloy misc	Park		\$48.76
Widseth Smith Nolting - Engineer	P&Z, PW		\$4,527.90
Xerox - Quarterly maintenance on copier	PD		\$59.50

Medica - Health Ins.	All		\$3,631.19
Delta Dental -	All		\$879.60
		TOTAL	\$71,888.53

RESOLUTION 98-21

**CITY OF CROSSLAKE
COUNTY OF CROW WING
STATE OF MINNESOTA**

**BEING A RESOLUTION APPROVING THE DECERTIFICATION OF
TAX INCREMENT FINANCING DISTRICT NO. 1-6 OF THE CITY OF
CROSSLAKE.**

WHEREAS, on June 1, 1998, the City of Crosslake (the "City") created its Tax Increment Financing District 1-6 (the "District") within its Development District No. 1 (the "Project"); and

WHEREAS, as of the date hereof all bonds and obligations to which tax increment from the District have been pledged have been paid in full or defeased and all other costs of the Project have been paid; and

WHEREAS, the City desires by this resolution to cause the decertification of the District after which all property taxes generated by property within the District will be distributed in the same manner as all other property taxes.

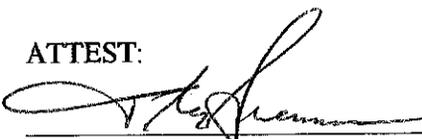
NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Crosslake that the City's staff shall take such action as is necessary to cause the County Auditor of Crow Wing County to decertify the District as a tax increment district and to no longer remit tax increment from the District to the City.

DATED: July 13, 1998



Mayor

ATTEST:



City Administrator

(Seal)

CITY OF CROSSLAKE

RESOLUTION NO. 98-22

WHEREAS, the City of Crosslake desires to enter into a contract with Donna Keiffer to provide aerobics instruction two times per week for a four week period at a cost of \$152.

WHEREAS, the City Council of the City of Crosslake had determined that the contract price is as low as or lower than the price at which the aerobics instruction services could be obtained elsewhere.

BE IT RESOLVED by the City Council of the City of Crosslake, that the City agrees to contract with Donna Keiffer to provide aerobics instruction two times per week for a four week period (August 4th – August 28th) at a cost of \$152.

Ray Smyth moved for the adoption of the foregoing resolution. Said resolution was duly seconded by Chuck Miller and after full discussion thereof, and upon a vote being taken thereon, the following voted in favor thereof:

Robert Scott
Ray Smyth
Chuck Miller
Richard Upton

and the following abstained from the vote:

Donna Keiffer

WHEREUPON said resolution was declared to be passed and adopted by the City Council this 13th day of July, 1998.



Mayor

Attest:



Deputy Clerk

RESOLUTION NO. 98-23

RESOLUTION ESTABLISHING PROCEDURES RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

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

I. Recitals.

(a) The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the Regulations"), dealing with "reimbursement bond" proceeds, being proceeds of the City's bonds used to reimburse the City for any project expenditure paid by the City prior to the time of the issuance of those bonds.

(b) The Regulations generally require that the City make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment of the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

(c) The City heretofore implemented procedures for compliance with the predecessor versions of the Regulations and desires to amend and supplement those procedures to ensure compliance with the Regulations.

(d) The City's bond counsel has advised the City that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application to payments of City project costs first made by the City out of the proceeds of bonds issued prior to the date of such payments.

2. Official Intent Declaration. The Regulations, in the situations in which they apply, require the City to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The Council hereby authorizes the City Administrator to make the City's Declarations or to delegate from time to time that responsibility to other appropriate City employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

(a) Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the City reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

(b) Each Declaration shall (1) contain a reasonably accurate description of the "project, as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

(c) Care shall be taken so that the City, or its authorized representatives under this Resolution, not make Declarations in cases where the City does not reasonably expect to issue reimbursement bonds to finance the subject project costs, and the City officials are hereby authorized to consult with bond counsel to the City concerning the requirements of the Regulations and their application in particular circumstances.

(d) The Council shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the City has made Declarations.

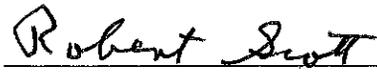
3. Reimbursement Allocations. The designated City officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the City's use of the applicable bond proceeds to reimburse the original expenditures.

4. Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the City for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Adopted this 13th day of July, 1998 by the Crosslake City Council.



City Administrator
City of Crosslake, MN



Mayor
City of Crosslake, MN

CERTIFICATION

The undersigned, being the duly qualified and acting City Administrator of the City of Crosslake, Minnesota, hereby certifies the following:

The foregoing is a true and correct copy of a Resolution on file and of official, publicly available record in the offices of the City, which Resolution relates to procedures of the City for compliance with certain IRS Regulations on reimbursement bonds. Said Resolution was duly adopted by the governing body of the City (the "Council") at a regular or special meeting of the Council held on July 13, 1998. Said meeting was duly called, regularly held, open to the public, and held at the place at which meetings of the Council are regularly held. Councilmember Charles Miller moved the adoption of the Resolution, which motion was seconded by Councilmember Ray Smyth. A vote being taken on the motion, the following members of the Council voted in favor of the motion to adopt the Resolution:

Charles Miller
Raymond Smyth
Donna Keiffer

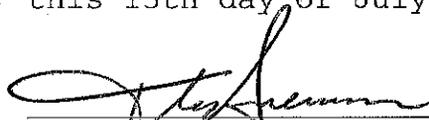
Richard Upton
Robert Scott

and the following voted against the same:

none

Whereupon said Resolution was declared duly passed and adopted. The Resolution is in full force and effect and no action has been taken by the Council which would in any way alter or amend the Resolution.

WITNESS MY HAND officially as the City Administrator of the City of Crosslake, Minnesota, this 13th day of July, 1998.



City Administrator
City of Crosslake, Minnesota

EXHIBIT A

Declaration of Official Intent

The undersigned, being the duly appointed and acting City Administrator of the City of Crosslake, Minnesota (the "City"), pursuant to and for purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states and certifies on behalf of the City as follows:

1. The undersigned has been and is on the date hereof duly authorized by the Crosslake City Council to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the City.

2. This Declaration relates to the following project, property or program (the "Project") and the costs thereof to be financed:

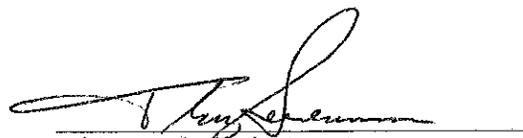
Wilderness Trail Road and Drainage Improvements and Construction of a Bike/Walking path on Wilderness Trail beginning at its Southernmost Point, being the intersection of Daggett Pine Road, Northeast approximately 1.3 miles to a point of termination located at the entrance to Wilderness Park Association Property.

3. The City reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued by the City after the date of payment of such costs. As of the date hereof, the City reasonably expects that \$250,000 is the maximum principal amount of the Bonds which will be issued to finance the Project.

4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2 (d) (3) of the Regulations.

5. As of the date hereof, the statements and expectations contained in this Declaration are believed to be reasonable and accurate.

Date: July 13, 1998



City Administrator
City of Crosslake, Minnesota

RESOLUTION 98-24

RESOLUTION DECLARING ADEQUACY OF PETITION AND ORDERING PREPARATION OF REPORT

BE IT RESOLVED BY THE CITY COUNCIL OF CROSSLAKE, MINNESOTA:

1. A certain petition requesting the improvement of Ojibwa Trail, beginning at Daggett Pine Road, Ojibwa Circle, Arrowhead Drive and Buckskin Lane, located North of Daggett Pine Road and within the plat of Ox Lake Landings, filed with the Council on July 13, 1998 is hereby declared to be signed by the required percentage of owners of property affected thereby. This declaration is made in conformity to Minnesota Statutes, Section 429.035.
2. The petition is hereby referred to Dave Reese of Widseth, Smith & Nolting and that person is instructed to report to the Council with all convenient speed advising the Council in a preliminary way as to whether the proposed improvement is necessary, cost-effective, and feasible and as to whether it should best be made as proposed or in connection with some other improvement, and the estimated cost of the improvement as recommended.

Adopted by the Council this 13th day of July, 1998



Bob Scott
Mayor



Thomas N. Swenson
City Administrator

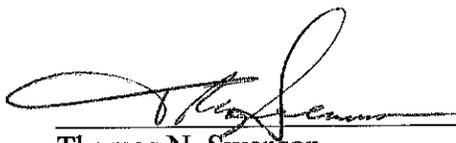
RESOLUTION 98-25

RESOLUTION DECLARING ADEQUACY OF PETITION AND ORDERING PREPARATION OF REPORT

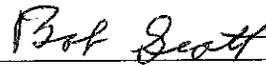
BE IT RESOLVED BY THE CITY COUNCIL OF CROSSLAKE, MINNESOTA:

1. A certain petition requesting the improvement of Jason Lane and Staley Lane, located South of Silver Peak Road within the plats of Staley Shores and First Addition to Staley Shores, filed with the Council on July 13, 1998 is hereby declared to be signed by the required percentage of owners of property affected thereby. This declaration is made in conformity to Minnesota Statutes, Section 429.035.
2. The petition is hereby referred to Dave Reese of Widseth, Smith & Nolting and that person is instructed to report to the Council with all convenient speed advising the Council in a preliminary way as to whether the proposed improvement is necessary, cost-effective, and feasible and as to whether it should best be made as proposed or in connection with some other improvement, and the estimated cost of the improvement as recommended.

Adopted by the Council this 13th day of July, 1998



Thomas N. Swenson
City Administrator



Bob Scott
Mayor

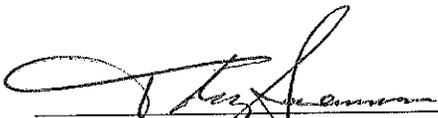
RESOLUTION 98-26

RESOLUTION DECLARING ADEQUACY OF PETITION AND ORDERING PREPARATION OF REPORT

BE IT RESOLVED BY THE CITY COUNCIL OF CROSSLAKE, MINNESOTA:

1. A certain petition requesting the improvement of Lakeshore Drive, located one-half mile east of CSAH #3 and Happy Landing Road within the plat of Sandcrest on Cross Lake, filed with the Council on July 13, 1998 is hereby declared to be signed by the required percentage of owners of property affected thereby. This declaration is made in conformity to Minnesota Statutes, Section 429.035.
2. The petition is hereby referred to Dave Reese of Widseth, Smith & Nolting and that person is instructed to report to the Council with all convenient speed advising the Council in a preliminary way as to whether the proposed improvement is necessary, cost-effective, and feasible and as to whether it should best be made as proposed or in connection with some other improvement, and the estimated cost of the improvement as recommended.

Adopted by the Council this 13th day of July, 1998



Thomas N. Swenson
City Administrator



Bob Scott
Mayor