

COUNCIL PROCEEDINGS
Crosslake, Minnesota
SPECIAL SESSION - August 8, 1983

The City Council of Crosslake, Minnesota met in a special session on August 8, 1983 at 3:00 P.M. in the Council Room of the Municipal Building. The following meembers were present: Councilman Allen, Anderson, Arends, Nelson and Mayor Bieber. There was approximately 10 members of the community present.

Mayor Bieber called the meeting to order and presented the bids on the Fire Department Equipment Van scheduled to be opened at this time. Councilman Anderson opened the bids and were presented as follows:

Clarey's Safty Equip. Co.:	Van Body - \$23,060.00; Chassis - \$10,055.00	TOTAL BID: \$33,115.00
Mid Central Fire Inc.	: Van Body - \$21,500.00; Chassis - \$10,275.00	TOTAL BID: \$31,775.00
Ebenhoh Body Company	: Van Body - \$15,222.50; Chassis - \$10,979.90	TOTAL BID: \$26,202.40

It was noted at this time that a 1% discount would be applied to the Ebenhoh Body Company bid if payment was made 10 days after delivery. All quotes above were presented per City of Crosslake's specifications. MOTION NO. 8S-01-83 was introduced by Councilman Allen that we accept the bid from Ebenhoh Body Company on the Fire Department Equipment Van for \$26,202.40 on the basis that no delivery be made until after January 1, 1984 and that the City of Crosslake will make payment 10 days after delivery in order to receive the 1% discount. SECONDED BY Councilman Nelson. Upon roll call vote being taken all members of the council voted in favor of said motion and Mayor Bieber declared the motion carried.

Mayor Bieber introduced the main agenda item to be considered at this special session as the Ox Lake Landing Road situation and did so by introducing Mr. Charles LeFevre, contracted attorney by the City in respect to the Ox Lake Landing Road situation.

Mr. LeFevre began by reviewing the technical legal ends of the situation. The procedure of the vote taken by the past council, which was described as three (3) aye's, one (1) nay and one (1) abstention, therefore making the procedure not acceptable under law for an issue involving a bond. It should of had a 4/5 vote or a majority vote where a petition, filed according to required legal specifications for bonding, was submitted. This was stated according to the Bonding Statutes Chapter 429 on public improvements that are to be financed by special assessments.

Councilman Anderson reviewed the vote process of the past council and how the vote with the Mayor abstaining was due to a conflict of interest but otherwise would have voted in favor of the project.

Steps were next taken on deciding the direction that should be taken. Mr. LeFevre informed the council that it would still take a 4/5 vote to pass the improvements in order to go the bond or to cancel the project and be responsible for the \$1,579.00 in expenses incurred in 1982 and the \$11,410.47 in expenses incurred with the engineering company, Widseth, Smith and Nolting. The project costs were discussed in regards to the construction costs, capitalized interest, legal expenses,

OX LAKE LANDING SITUATION - continued;

engineering expenses, etc. Mr. LeFevre detailed the steps involved with the procedure of a bond, the problems that could be involved and some of the protection the City could require if they proceeded with the project. Many questions went back and forth between the council and Mr. LeFevre regarding the details involved with bonding.

City Attorney, Mr. Randall Hanson was present at this meeting and when so asked regarding any legal contract involved with the Ox Lake Landing Road project he did so state that he was not aware of any contract. The only involvement on his part was in regards to the letter of credit the City of Crosslake requested in regards to this project. No meetings had been attended by the City Attorney regarding bonding, the procedures or anything of such. If he would have been requested to provide council on such matter he would have referred them to find someone who specialized in this area. Was explained that the City of Crosslake relied upon the contracting engineer in regards to what steps had to be taken on the bonding.

Questions again were expressed and the consensus of black topping this project was raised when the City is having problems keeping up with the streets now black topped. MOTION NO. 8S-02-83 was introduced by Councilman Allen that we abandon the Ox Lake Landing Road Project. SECONDED BY Councilman Arends. Upon roll call vote being taken Councilmen Arends, Allen, Nelson and Mayor Bieber voted in favor of this motion and Councilman Anderson voted against.

MOTION NO. 8S-03-83 was introduced by Councilman Nelson that the engineering firm of Widseth, Smith and Nolting be paid the \$11, 410.47 to cover the engineering costs already incurred with this project. SECONDED BY Councilman Arends. Upon roll call vote being taken Councilmen Allen, Arends, Nelson and Mayor Bieber voted in favor of said motion and Councilman Anderson voted against.

MOTION NO. 8S-04-83 was introduced by Councilman Nelson that we adjourn. SECONDED BY Councilman Arends. Upon roll call vote being taken all members of the council voted in favor of said motion and Mayor Bieber declared the motion carried.

RESPECTFULLY SUBMITTED


Diana A. Gallaway
City Clerk/Treasurer