

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
FRIDAY, AUGUST 10, 2007
9:00 A.M. - CITY HALL

Pursuant to proper notice and call, the City Council met in a special session on Friday, August 10, 2007 at 9:00 A.M. at City Hall. The following Councilmembers were present: Mayor Jay Andolshek, Steve Roe, Irene Schultz, Dean Swanson and Rusty Taubert. Also present was City Administrator Tom Swenson, Chief Bob Hartman, Clerk/Treasurer Darlene Roach and City Attorney Paul Sandelin. Also in attendance were Pat Murphy, Attorney Tom Pearson, Lake Country Echo Reporter Betty Ryan and Brainerd Dispatch Reporter Renee Richardson.

Mayor Andolshek called the meeting to order at 9:00 A.M. and stated that the first order of business was to review the status of the outstanding sewer connection fees and user fees at The Log Jam Bar and Grill. An email was received from City Attorney Sandelin confirming that it is the obligation of the property owner to pay any outstanding user and connection charges owed on a property. This is addressed in the Sewer Ordinance in Chapter 11 of City Code. Since the property has remained in the ownership of Pat Murphy any default in payments by the contract for deed holder would ultimately be Pat Murphy's responsibility. Attorney Tom Pearson, representing Pat Murphy and Norland Corporation, addressed the Council and stated that the City should have collected the Sewer Connection Charge in 2003 when the property was transferred from Valere Byerly to Paul Nelson of Whitefish Properties. Attorney Pearson stated that when Pat Murphy sold the property to Valere Byerly on a Contract for Deed, the property contained a private septic system and there were no sewer connection charges to pay. Attorney Pearson stated that this transfer is a foreclosure and should be treated differently from a sale of property. If the City wishes to collect the charge, the City should pursue the outstanding charge from Valere Byerly. City Attorney Sandelin stated that improvements to property under a contract for deed are the responsibility of the owner of record and since the City required connection to municipal sewer ultimately the property owner is liable. Sandelin stated this situation is no different than if a land use violation had occurred. Attorney Pearson stated that the City was negligent in not having a mechanism in place to collect the fees when the transfer took place between Valere Byerly and Paul Nelson. Pearson stated that the transaction should not have been recorded at the Crow Wing County Recorder's Office without payment of outstanding fees. Pearson stated that his client is asking to be relieved of the charges. City Attorney Sandelin stated that when a closing takes place there is a settlement statement prepared and the outstanding sewer connection charges should have been disclosed during the closing. Sandelin stated that the City isn't in attendance at every closing that takes place in the City to ensure that outstanding charges are collected. Sandelin stated that the closing with Paul Nelson of Whitefish Properties and Valere Byerly was another opportunity for Mr. Murphy to make sure that the connection fees were paid. Sandelin stated that the Ordinance doesn't say that if the fees aren't paid they go away. Sandelin also stated that Mr. Murphy was required to approve the assignment to transfer the Contract for Deed. Councilmember Taubert stated that the pipes are in the ground and the money is owed the City.

Councilmember Schultz agreed and stated that Mr. Murphy is the fee owner and has been all along. Councilmember Swanson stated that this is an improvement to the property and was no surprise to anyone that it was put in. Councilmember Roe asked who made the arrangement to go on the payment plan for connection charge payments and City Administrator Swenson stated that Valere Byerly applied for the permit and had the building connected to the municipal sewer line and went on the ten-year payment plan. When there were sewer connection charges outstanding at liquor license renewal time, Paul Nelson came before the Council asking for approval to continue on the ten-year payment plan. The Council approved this request. Councilmember Roe asked if the Council could extend the same offer to Mr. Murphy since he is still the fee owner of the property. Attorney Sandelin stated that this was an option but in order to obtain a liquor license for The Exchange, the Ordinance requires that there are no outstanding violations. Attorney Pearson stated that if the fee has to be paid in order to obtain a liquor license, his client would like to reserve the right to contest the fee. City Administrator Swenson noted that in addition to the outstanding connection charge there are monthly user charges that are unpaid. MOTION 08S1-01-07 WAS MADE BY STEVE ROE AND SECONDED BY IRENE SCHULTZ TO ALLOW PAT MURPHY OF THE EXCHANGE TO CONTINUE ON THE TEN YEAR PAYMENT PLAN FOR PAYMENT OF THE SEWER CONNECTION CHARGE WHICH IS OWED BY HIM, THAT THE OUTSTANDING BILL INCLUDING THE SEMI-ANNUAL PAYMENT AND OUTSTANDING USER CHARGES BE PAID IN FULL AND IN THE EVENT THE APPLICANT CHOOSES TO CONTEST THE CITY'S POSITION, THE CITY RESERVES THE RIGHT TO PURSUE FULL COLLECTION OF THE CHARGE. MOTION CARRIED WITH ALL AYES.

A request was received from Pat Murhpy to transfer the Off Sale/On Sale/Sunday and 2:00 A.M. Liquor Licenses from The Log Jam Bar & Grill to the Exchange. Paul Nelson has informed the City that effective Friday, August 10th, he will no longer be operating the business. All applicable license application forms have been completed by Mr. Murphy and all necessary insurance certificates have been received by the City. The Police Department has conducted a criminal history check and this has resulted in satisfactory findings. Mr. Murphy is required to pay the pro-rated amount of \$1,575 in license fees covering the period of August 10, 2007 through June 30, 2008. Mr. Murphy is requesting approval of the On-Sale and Sunday license immediately and approval of the Off Sale and 2:00 A.M. Optional Closing contingent on approval by the Department of Public Safety. Attorney Pearson addressed the Council and contested the pro-rated fees since Mr. Nelson paid the full year license fees for the period of July 1, 2007 to June 30, 2008. It was noted that all prior liquor license transfers have resulted in pro-rated fees paid by the new owner as in the case of the Cedar Chest, Ox Lake Tavern and The Log Jam Bar & Grill. City Ordinance requires that a financial investigation be conducted on individuals requesting a liquor license and it was the recommendation of the Clerk that this \$500 fee be waived. MOTION 08S1-02-07 WAS MADE BY JAY ANDOLSHEK AND SECONDED BY STEVE ROE TO REQUIRE PAT MURPHY OF NORLAND CORPORATION TO BRING ALL SEWER USER FEES CURRENT, TO AGREE TO PAY ALL SEWER CONNECTION CHARGES OWED AND OUTSTANDING ON THE SEMI-ANNUAL PAYMENT PLAN, TO PAY THE PRO-RATED LIQUOR

LICENSE FEES OF \$1,575 TO THE CITY FOR THE OFF SALE/ON SALE AND SUNDAY LICENSES AND \$320 TO THE DEPARTMENT OF PUBLIC SAFETY FOR THE 2:00 A.M. OPTIONAL CLOSING LICENSE AND BUYERS CARD, THAT THE \$500 FINANCIAL INVESTIGATION FEE BE WAIVED BASED ON THE FACT THAT MR. MURPHY WAS THE PREVIOUS OWNER AND OPERATOR OF THE EXCHANGE FOR OVER 20 YEARS AND TO AUTHORIZE THE TRANSFER OF THE OFF SALE/ON SALE/SUNDAY AND 2:00 A.M. CLOSING FROM THE LOG JAM BAR AND GRILL TO NORLAND CORPORATION AT THE EXCHANGE. MOTION CARRIED WITH ALL AYES.

A memo from Clerk Roach requested approval of a Resolution authorizing the Crosslake/Ideal Lions Club to conduct raffle activity at the Whitefish Lodge & Suites on September 9, 2007. MOTION 0821-03-07 WAS MADE BY JAY ANDOLSHEK AND SECONDED BY DEAN SWANSON TO APPROVE RESOLUTION 07-08 APPROVING OFF-SITE GAMBLING FOR CROSSLAKE/IDEAL LIONS CLUB. MOTION CARRIED WITH COUNCILMEMBER ROE ABSTAINING FROM THE VOTE.

At a meeting held on Monday, August 6, 2007, the Personnel Committee reviewed various job descriptions, comparable worth points and wage scale adjustments for City employees and made recommendations for Council approval. The first job description reviewed was for the position of Community Development Director. The revised job description more closely matches the duties and responsibilities of this position and assigning 393 comparable worth points to the position more closely matches the State Job Match position of Planning and Zoning Administrator – Planner Principal. MOTION 08S1-04-07 WAS MADE BY DEAN SWANSON AND SECONDED BY IRENE SCHULTZ TO APPROVE THE REVISED JOB DESCRIPTION FOR THE COMMUNITY DEVELOPMENT DIRECTOR. MOTION CARRIED WITH ALL AYES. Regarding assigning 393 comparable worth points, MOTION 08S1-05-07 WAS MADE BY RUSTY TAUBERT AND SECONDED BY STEVE ROE TO APPROVE THE ASSIGNMENT OF 393 COMPARABLE WORTH POINTS TO THE COMMUNITY DEVELOPMENT DIRECTOR POSITION. MOTION CARRIED WITH ALL AYES.

At the request of the City Council in January, the Personnel Committee reviewed the job description of the Police Chief to include the duties of Emergency Management Director. MOTION 08S1-05-07 WAS MADE BY JAY ANDOLSHEK AND SECONDED BY DEAN SWANSON TO APPROVE THE REVISED JOB DESCRIPTION FOR THE POLICE CHIEF/EMERGENCY MANAGEMENT DIRECTOR. MOTION CARRIED WITH ALL AYES. With the increased duties, the Personnel Committee recommended that the comparable worth points be increased from 353 points to 362 points. MOTION 08S1-06-07 WAS MADE BY RUSTY TAUBERT AND SECONDED BY DEAN SWANSON TO APPROVE THE CHANGE IN COMPARABLE WORTH POINTS FROM 353 TO 362 TO MATCH THE INCREASED DUTIES. MOTION CARRIED WITH ALL AYES. Along with the change in comparable worth points, the Personnel Committee recommended that an increase from \$57,500 to \$59,500 be given to the Police

Chief retroactive to January 1, 2007. MOTION 08S1-07-07 WAS MADE BY STEVE ROE AND SECONDED BY RUSTY TAUBERT TO APPROVE AN INCREASE FOR THE POLICE CHIEF/EMERGENCY MANAGEMENT DIRECTOR FROM \$57,500 TO \$59,500 EFFECTIVE JANUARY 1, 2007. MOTION CARRIED WITH ALL AYES. The Personnel Committee also reviewed the additional duties and responsibilities of the Parks and Recreation Director with the addition of the Library and Community Center expansion. A revised job description was recommended for approval. Councilmember Roe asked if there was anything in the job description dealing with the budget and the Director's management of said budget. MOTION 08S1-08-07 WAS MADE BY STEVE ROE AND SECONDED BY DEAN SWANSON TO APPROVE THE REVISED JOB DESCRIPTION FOR THE PARKS AND RECREATION DIRECTOR AS AMENDED TO INCLUDE VERBAGE ON THE BUDGET. MOTION CARRIED WITH ALL AYES. Along with the revised job description, the Personnel Committee recommended that the comparable worth points be increased from 282 to 300 which more closely matches the State Job Match Recreation Supervisor 2 position and allocates an additional nine points for oversight of Library operations. MOTION 08S1-09-07 WAS MADE BY DEAN SWANSON AND SECONDED BY RUSTY TAUBERT TO APPROVE COMPARABLE WORTH POINTS OF 300 FOR THE POSITION OF PARKS AND RECREATION DIRECTOR. MOTION CARRIED WITH ALL AYES. Along with the increase in comparable worth points, the Personnel Committee recommended that the Parks and Recreation Director's salary be increased from \$50,000 to \$53,000. MOTION 08S1-10-07 WAS MADE BY RUSTY TAUBERT AND SECONDED BY IRENE SCHULTZ TO INCREASE THE SALARY OF THE PARKS AND RECREATION DIRECTOR FROM \$50,000 TO \$53,000. MOTION CARRIED WITH ALL AYES. In accordance with the Union Contract, a request was received to review and update the job descriptions for the Building and Registration Assistant and the Program and Facilities Coordinator. The revised job descriptions were recommended for Council approval. MOTION 08S1-11-07 WAS MADE BY DEAN SWANSON AND SECONDED BY IRENE SCHULTZ TO APPROVE THE REVISED JOB DESCRIPTION FOR THE BUILDING AND REGISTRATION ASSISTANT. MOTION CARRIED WITH ALL AYES. The duties of this position are in line with the 114 comparable worth points assigned, however it was the recommendation of the Personnel Committee that the bottom step of the wage schedule be dropped and one forty cent (40 cents) step be added. This would move Linda Guertin to the new Step 10 effective May 1, 2007 contingent on approval by AFSCME. MOTION 08S1-12-07 WAS MADE BY JAY ANDOLSHEK AND SECONDED BY RUSTY TAUBERT TO APPROVE THE REVISED WAGE SCHEDULE FOR THE BUILDING AND REGISTRATION ASSISTANT AND THAT LINDA GUERTIN BE PLACED ON THE NEW STEP 10 EFFECTIVE MAY 1, 2007 CONTINGENT ON AFSCME'S APPROVAL. MOTION CARRIED WITH ALL AYES. Also reviewed in accordance with the Union Contract, was the job description for the Program and Facilities Coordinator. With the changes in the job description, it was also recommended that the comparable worth points be increased from 120 to 140 to match the additional duties of the position and more closely match the State Job Match – Clerk 3 position. Also recommended was to drop the bottom two steps of the wage schedule and two additional fifty-five cent (55 cents) steps be added to the wage schedule and that Jane Monson move

to the new Step 8 effective May 1, 2007 and remain on this step until December 31, 2008 contingent on AFSCME approval. MOTION 08S1-13-07 WAS MADE BY DEAN SWANSON AND SECONDED BY IRENE SCHULTZ TO APPROVE THE REVISED JOB DESCRIPTION FOR THE PROGRAM AND FACILITIES COORDINATOR. MOTION CARRIED WITH ALL AYES. Regarding the comparable worth points, MOTION 08S1-14-07 WAS MADE BY IRENE SCHULTZ AND SECONDED BY RUSTY TAUBERT TO APPROVE MATCHING THE PROGRAM AND FACILITIES COORDINATOR JOB DESCRIPTION WITH THE CLERK 3 OF THE STATE JOB MATCH AND BE ASSIGNED 140 COMPARABLE WORTH POINTS. MOTION CARRIED WITH ALL AYES. Regarding the wage schedule, MOTION 08S1-15-07 WAS MADE BY RUSTY TAUBERT AND SECONDED BY JAY ANDOLSHEK TO REMOVE THE BOTTOM TWO STEPS OF THE WAGE SCHEDULE FOR THE PROGRAM AND FACILITIES COORDINATOR AND ADD TWO ADDITIONAL FIFTY-FIVE CENTS (.55 CENTS) STEPS AND THAT JANE MONSON BE MOVED TO THE NEW STEP 8 EFFECTIVE MAY 1, 2007 AND REMAIN ON STEP 8 UNTIL DECEMBER 31, 2008 CONTINGENT ON THE APPROVAL OF AFSCME. MOTION CARRIED WITH ALL AYES.

There were no bills presented for approval.

MOTION 081S-16-07 WAS MADE BY STEVE ROE AND SECONDED BY DEAN SWANSON TO ADJOURN THIS SPECIAL COUNCIL MEETING AT 10:05 A.M. MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,



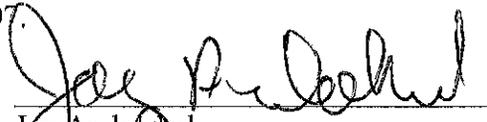
Darlene J. Roach
Clerk/Treasurer

RESOLUTION NO. 07-08
CITY OF CROSSLAKE
COUNTY OF CROW WING
STATE OF MINNESOTA

RESOLUTION APPROVING OFF-SITE GAMBLING FOR
CROSSLAKE/IDEAL LIONS CLUB

On August 13, 2007, the Crosslake City Council approved the Crosslake/Ideal Lions Club's request to Conduct Off-Site Gambling for raffle activity at the Whitefish Lodge & Suites located at 14150 Swann Drive in Crosslake, MN 56442 on September 9, 2007.

Adopted by the Council this 10th day of August 2007.


Jay Andolshek
Mayor


Thomas N. Swenson
City Administrator