

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
FRIDAY, SEPTEMBER 30, 2011
2:30 P.M. - CITY HALL

The Council for the City of Crosslake met in a Special Session on Friday, September 30, 2011 at City Hall. The following Council Members were present: Mayor Darrell Schneider, Steve Roe, Dean Swanson and Rusty Taubert. Absent was John Moengen. Also present was City Administrator Tom Swenson, Clerk/Treasurer Jenny Max, Public Works Director Ted Strand and Monte Eastvold from Northland Securities.

1. Call to order – Mayor Schneider called the special meeting to order at 2:32 P.M.
2. Bills for Approval – MOTION 09S1-01-11 WAS MADE BY DEAN SWANSON AND SECONDED BY STEVE ROE TO APPROVE THE BILLS FOR PAYMENT AS SUBMITTED IN THE AMOUNT OF \$94,921.60. MOTION CARRIED WITH ALL AYES.
3. Monte Eastvold from Northland Securities presented the Council with information regarding the possible refunding of the 2003A Lease Revenue Bonds, the 2003A G.O. Disposal System Bonds and the 2004A G.O. Improvement Bonds. Mr. Eastvold reviewed each bond issue's current interest rate and the projected savings the City would receive if the Council decided to refund the three bonds. With the 2003A Lease Revenue Bond the City would have to prepare a capital improvement plan, hold a public hearing and then have a 30 day waiting period in order to refund the bond. However, the process is much simpler for G.O. bonds since the City commits repayment of them through the tax levy and not through generated revenues. Mr. Eastvold noted that refunding the 2003A Lease Revenue Bonds would convert them into G.O. Bonds and as a result the City would not be required to carry forward the debt reserves that are required by lease revenue bonds.

Mr. Eastvold distributed a letter addressed to the Mayor and City Council regarding the 2011 amendments to Rule G-23 of the Municipal Securities Rulemaking Board. The letter outlines the requirement that the City define the role of Northland Securities at the earliest stages of the relationship. Currently Mr. Eastvold believes the City is requesting Northland Securities to be an underwriter for the refunding issue.

Mr. Eastvold reviewed each bond issue and the projected savings to the City which total approximately \$259,000 over the life of the bonds. The savings shown on the projections are net of the issuance costs of approximately \$38,000. Councilmember Swanson asked if all of the City's debt was reviewed to see if any other issues could qualify for a refunding. Mr. Eastvold stated he would review all of them to see if any others meet the State's savings test which is a requirement to refund a bond issue. Mr. Eastvold noted that after the required 30 day waiting period for the Lease Revenue Bonds the City can wait as long as they want until the interest rates are where the Council wants them to be. City Administrator Swenson also noted that some of the savings would go to the County since the Lease Revenue Bonds are 53% paid by the County. Councilmember Swanson commented that by doing the refunding the whole community will share in the savings. MOTION 09S1-02-11 WAS MADE BY STEVE ROE AND SECONDED BY DEAN

SWANSON TO DIRECT STAFF TO INITIATE THE PROCESS FOR THE POTENTIAL REFUNDING OF THE 2003A LEASE REVENUE, 2003A G.O. DISPOSAL SYSTEM, AND 2004 G.O. IMPROVEMENT BONDS, UTILIZE NORTHLAND SECURITIES AS THE UNDERWRITER AND SCHEDULE A PUBLIC HEARING FOR OCTOBER 25, 2011 AT 6:00 P.M. STAFF IS ALSO DIRECTED TO PREPARE THE CAPITAL IMPROVEMENT PLAN AND PUBLIC HEARING NOTICE. MOTION CARRIED WITH ALL AYES.

MOTION 09S1-03-11 WAS MADE BY DEAN SWANSON AND SECONDED BY RUSTY TAUBERT TO UTILIZE BRIGGS AND MORGAN AS BOND COUNSEL FOR THE POTENTIAL REFUDING OF THE 2003A LEASE REVENUE, 2003A G.O. DISPOSAL SYSTEM AND 2004 G.O. IMPROVEMENT BONDS. MOTION CARRIED WITH ALL AYES.

4. City Administrator Swenson stated he met with City Engineer Dave Reese and reviewed the expenses for Sunrise Island Bridge. Administrator Swenson provided the Council with a Project Cost Summary and noted the total estimated project cost was \$634,068 with the local cost being \$183,232. After the improvement hearing the revised local cost was increased to \$193,132 due to additional engineering expenses with adding the wood railings and narrowing the width of the bridge. The actual total project cost was \$626,784 with the local cost being \$188,527. The City's assessment policy is 50% of the local cost which equals \$94,263, or \$6,284 per equivalent lot based on 15 lots on the island. MOTION 09S1-04-11 WAS MADE BY DEAN SWANSON AND SECONDED BY STEVE ROE TO APPROVE RESOLUTION NO. 11-17 DECLARING COST TO BE ASSESSED, AND ORDERING PREPARATION OF PROPOSED ASSESSMENT FOR SUNRISE ISLAND BRIDGE. MOTION CARRIED WITH ALL AYES.

Councilmember Roe commented that he hopes the residents are satisfied with the final product and stated the City is fortunate that most of the project could be funded through State grant money. Mayor Schneider expressed his gratitude towards Administrator Swenson for his leadership throughout this project and for securing the bridge bond funding. MOTION 09S1-05-11 WAS MADE BY STEVE ROE AND SECONDED BY RUSTY TAUBERT TO APPROVE RESOLUTION NO. 11-18 CALLING FOR HEARING ON PROPOSED ASSESSMENT FOR SUNRISE ISLAND BRIDGE FOR OCTOBER 25, 2011 AT 7:00 P.M. MOTION CARRIED WITH ALL AYES.

There being no further discussion, MOTION 09S1-06-11 WAS MADE BY DEAN SWANSON AND SECONDED BY STEVE ROE TO ADJOURN THIS SPECIAL MEETING AT 3:40 P.M. MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,


Jennifer Max
Clerk/Treasurer

Deputy Clerk/Minutes/9-30-11 Special.doc

BILLS FOR APPROVAL
September 30, 2011

VENDORS	DEPT		AMOUNT
Ace Hardware, washers, elbows	Cemetery		7.29
Ace Hardware, bolts for wash bay	PW		5.71
Ace Hardware, hose bibb, wasp spray	PW		42.14
Ace Hardware, cement, adapter, flex couple	PW		17.38
Ace Hardware, reflective lettering, hardware	P&R		4.62
Ace Hardware, car bulb, bolt	P&R		5.00
Ace Hardware, spray paint, paint brushes	PW		30.15
Ace Hardware, marking paint	PW		24.01
Ace Hardware, propane	PW		20.30
Ace Hardware, ubs cable	Police		10.68
Ace Hardware, hardware	P&R		4.70
Ace Hardware, memory card	Police		23.50
Ameripride, mats, paper towels	PW		171.94
AW Research, water test	Sewer		131.40
AW Research, water test	Sewer		131.40
AW Research, water test	Sewer		131.40
AW Research, water test	Sewer		131.40
Becky Tulenchik, refund soccer registration	P&R		40.00
Birchdale Fire & Security, fourth quarter monitoring	PW		96.19
Blakeman Pumping Service, haul biosolids to pine river	Sewer		2,358.00
Brainerd Lakes Chamber of Commerce, fireworks	Gov't		10,000.00
Crosslake Auto Body, tow seized vehicle	Police		81.49
Crosslake Portable Welding, blade stands and carts	PW		1,278.00
Crow Wing County Highway Dept, harbor In road construction	PW		61,072.90
Crow Wing County Highway Dept, fuel	ALL		4,850.03
Emblem Enterprises, patches	Police		14.77
Foreman Fire Service, pump recertification tests	Fire		1,326.00
Grand Forks Fire Equipment, brake bulb	Fire		36.04
Guardian Pest Solutions, pest control	ALL		85.50
Gull Lake Glass, adjust control box	P&R		84.40
Hawkins, ferric chloride, aqua hawk, caustic soda	Sewer		1,089.58
Heartland Tire Service, tires	PW		275.94
Heartland Tire Service, tires	PW		551.87
Herc-U-Lift, install required dot decals	PW		86.64
Herc-U-Lift, install new fuel pump	PW		805.91
Hobart Food Equipment, dishwasher repair	P&R		152.40
League of MN Cities, fireground safety training	Fire		60.00
League of MN Cities, regional meeting	Admin/Council		80.00
Marco, copier lease	ALL	pd 9-23	416.89
Marsden, office cleaning	PW		647.66
Martin Communications, charger, knob	Fire		61.40
Martin Communications, repair rx on pager	Fire		136.00
Mastercard, Best Buy, cameras	Police		801.51
Mastercard, Cabelas, uniform	Police		142.42
Mastercard, Fleet Farm, uniform	Sewer	pd 9-23	27.98

RESOLUTION 11-17

RESOLUTION DECLARING COST TO BE ASSESSED, AND ORDERING
PREPARATION OF PROPOSED ASSESSMENT

WHEREAS, a contract has been let (costs have been determined) for the improvement of Sunrise Island Road from a point approximately 140 feet west of Sunrise Island Bridge to a point approximately 120 feet east of Sunrise Island Bridge by reconstructing the east and west bridge approaches, removing the existing wooden bridge and constructing a concrete bridge with wooden railings and the contract price for making such improvement is \$496,524.27 and the expenses incurred or to be incurred in the making of such improvement amount to \$130,259.28 so that the total cost of the improvement will be \$626,783.55.

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

1. The portion of the cost of such improvement to be paid by State Bridge Funds is \$438,256.75 and the portion to be paid by the City is hereby declared to be \$94,263.40 and the portion of the cost to be assessed against benefited property owners is declared to be \$94,263.40.
2. Assessments shall be provided in equal installments extending over a period of 10 years, the first of the installments to be payable on or before the first Monday in January 2012, and shall bear interest at the rate of 4 percent per annum from the date of adoption of the assessment resolution.
3. The City Administrator, with the assistance of the City Engineer, shall forthwith calculate the proper amount to be specially assessed for such improvements against every assessable lot, piece or parcel of land within the district affected, without regard to cash valuation, as provided by law, and he shall file a copy of such proposed assessment in his office for public inspection.
4. The Administrator shall upon the completion of such proposed assessment, notify the Council thereof.

Adopted by the Council this 30th day of September, 2011.



Thomas N. Swenson
City Administrator



Darrell Schneider
Mayor

RESOLUTION 11-18

RESOLUTION FOR HEARING ON PROPOSED ASSESSMENT

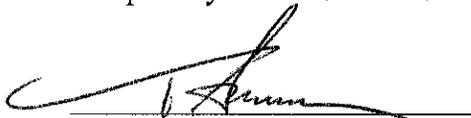
WHEREAS, by a resolution passed by the Council on September 30, 2011, the City Administrator was directed to prepare a proposed assessment of the cost of improving Sunrise Island Road from a point approximately 140 feet west of Sunrise Island Bridge to a point approximately 120 feet east of Sunrise Island Bridge by reconstructing the east and west bridge approaches, removing the existing wooden bridge and constructing a concrete bridge with wooden railings.

AND WHEREAS, the City Administrator has notified the Council that such proposed assessment has been completed and filed in his office for public inspection.

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

1. A hearing shall be held on October 25, 2011 in the City Hall at 7:00 P.M. to pass upon such proposed assessment and at such time and place all persons owning property affected by such improvement will be given an opportunity to be heard with reference to such assessment.
2. The City Administrator is hereby directed to cause a notice of the hearing on the proposed assessment to be published once in the official newspaper at least two weeks prior to the hearing, and he shall state in the notice the total cost of the improvement. He shall also cause mailed notice to be given to the owner of each parcel described in the assessment roll not less than two weeks prior to the hearing.
3. The owner of any property so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City Administrator, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of the assessment. He/she may at any time thereafter, pay to the County Auditor the entire amount of the assessment remaining unpaid, with interest accrued to December 31st of the year in which such payment is made. Such payment must be made before November 15th or interest will be charged through December 31st of the succeeding year.

Adopted by the Council this 30th day of September, 2011.



Thomas N. Swenson
City Administrator



Darrell Schneider
Mayor