

JOINT LIBRARY COMMITTEE/CITY COUNCIL MEETING
CITY OF CROSSLAKE
FRIDAY, DECEMBER 12, 2003
1:00 P.M. - CITY HALL

Pursuant to due notice and call, the Council for the City of Crosslake met in a joint special session with the Library Committee on Friday, December 12, 2003 at 1:00 P.M. at City Hall. The following Councilmembers were present: Mayor Darrell Swanson, Dean Eggena, Chuck Miller, Dick Phillips and Irene Schultz. Present from the Library Committee were Alden Hardwick, Sandy Eliason, Marj Bundgaard and Marilyn Daughenbaugh. Also present was City Administrator Tom Swenson, Park and Recreation Director Jon Henke and Clerk/Treasurer Darlene Roach. Crow Wing County Commissioner Ed Larsen and Kitchigami Regional Library Director Marian Ridge were also in attendance. There were approximately thirty-seven individuals in the audience.

Mayor Swanson called the Council to order and Chair Alden Hardwick called the Library Committee meeting to order at 1:00 P.M. Mayor Swanson stated that the purpose of the meeting was to receive an update on the fundraising activities and to establish operational costs for the proposed library. The meeting was turned over to County Board Commissioner Ed Larsen who presented historical data regarding library funding and how it flows. Larsen stated that in the late 70's, the library systems were formed and the State was divided into regions. He stated that funding comes from three sources, the State, County and City's where the libraries are located. Crow Wing County assesses the taxpayers for the County portion of the payment to the Kitchigami Regional Library System. The State dictates the amount that the County will pay into the system. Currently, this amount is \$10.08 per capita. Brainerd and Crosby/Ironton are excluded at the County level which leaves 39,134 people to be assessed. When you multiply the 39,134 times the \$10.08, a total of \$394,470 is generated from Crow Wing County through the levy process. Since the State designated amount (\$10.08) is spread across the tax base with Crosslake having the highest tax base in the County, Crosslake taxpayers pay \$46,810 into the system. Jim Stevenson asked Commissioner Larsen to confirm that when the Committee stated in the prospectus that Crosslake paid \$44,308, that it was a correct statement. Larsen stated the statement was correct. Larsen further stated that if Crosslake had a library, they would be excluded from the County levy, so Crosslake would have \$46,810 to use towards their own library without raising the tax against Crosslake property. Councilmember Eggena asked if Crosslake were excluded from paying the \$46,810 would they receive support from Kitchigami. Director Ridge addressed the Council and stated that the Library System gets funding, not based on tax capacity, but based on per capita and that is how they consider the funding to be determined. Councilmember Miller stated that if Crosslake taxpayers are paying over \$40,000, that is what is going to the Kitchigami Library System. Ridge commented that if Crosslake no longer contributes into the system, due to having a library, about \$20,000 less would be paid to the Library System from the County. Mayor Swanson stated that it is important that all parties reach a common ground when discussing the City's contribution into the system. Councilmember Miller stated that we have been at this point before and at that time the Council and the public understood fully how the funding into the system works. Commissioner Larsen commented that the County does assess the minimum amount that the State requires, however, Crow Wing County still pays 40% of the entire amount paid into the Kitchigami Regional Library System and only has one

library in the entire County. Some County's pay much less and have four libraries located within the jurisdiction of the County. Larsen also stated that the County has checked into how long it would take to join another system and their findings indicate it would take approximately three years. Director Ridge stated that Crow Wing County did voluntarily join the system. Ridge also stated that the Board is in favor of library development but there are numerous challenges. She stated that she has a lot of respect for the Library Committee for what they are doing. Obtaining funding for a public library is a serious venture but is an essential service. A public library is a core of a community. Ridge also stated that once a member of the system decides to leave to form their own system, the State requires that any funding received for a period of three years needs to be returned. Sandy Eliason asked who the money from the State goes to. Ridge stated that every regional system obtains funding from the State that is used for system support and telecommunications. Alden Hardwick commented that the \$10.08 referred to previously, is not a set amount. When the population goes up the amount changes. In the previous year, the per capita amount was \$9.40. Crow Wing County has the highest percentage of growth of all the members in the Kitchigami System, therefore accounting for the highest percentage of revenue being paid in. Crosslake represents 12% of the County based on tax capacity. Alden Hardwick further explained that the City has the responsibility for the library building in regards to construction and maintenance. Also, the bookcases, tables and etc. are the responsibility of the City. Operating expenses would be paid by the Regional System. They are, in fact, the management arm of the library. The City would pay a fee to the System for that service which was previously negotiated by the Committee at \$34,074 for twenty hours of operation. Councilmember Eggena stated that he contacted the City of Brainerd and was told that they budgeted \$157,000 for their library which includes the \$64,000 that they pay to Kitchigami. Eggena asked Hardwick why it would cost Brainerd \$90,000 and Crosslake only \$8,000? Eggena stated that he also contacted the City of Crosby. They budget \$200,000 for one full time head librarian and three part-time employees that total 27 hours per week for a total of 44 hours per week. Hallett Trust contributes \$175,000 of this amount with the City budgeting \$25,000. Hardwick commented that square feet and hours open are a major consideration. The Committee compared what is being proposed in Crosslake with the library in the City of Wadena. For 4,000 square feet of space, the cost to Wadena is approximately \$50,000 including what they pay into the system. Director Ridge agreed that you cannot compare apples to oranges. She stated that the reason behind higher costs in Brainerd is because their levy is twice what Crosslake's is, they are open more hours and have a large building. Also they have more technology than any other library in the system. Ridge commented that she doesn't feel that Alden's figures are that far off. Commissioner Larsen agreed that a library in Crosslake probably would not cost the Crosslake taxpayers any more than what they are paying now. At 2:00 P.M. Commissioner Larsen thanked the Council for inviting him to the meeting but needed to leave to attend another meeting.

Alden Hardwick stated that the Committee is estimating the initial cost for the library at \$750,000 for a 5,000 square foot addition to the Community Center. Locating the library at that location would allow for the sharing of resources. It is estimated that the opening day cost for books and start up equipment will cost \$250,000. Grants have been applied for and a fund raiser is underway for pledges and donations. Director Ridge stated that the upcoming year of 2004 will be a capital year in the Legislature versus an operating year and with the support of Senator Ruud and Representative Howes there is a

possibility of obtaining State funding. Also, there is a proposal by the Minnesota Library Association to go forward with a request to the Legislature for \$10,000,000 for library funding.

Crosslake Resident Pat Benson, who held the position of branch librarian in Cokato, commented that in her experience, those individuals who were against the project initially were the most supportive after the library was built. She stated that Cokato was and still is a library operating 20 hours per week and it works well. She feels it will be the best thing to happen to Crosslake.

Alden Hardwick stated that the Committee has also gone to the Federal Government for assistance from Representative Oberstar. Although it is too late for 2003, the Committee will approach Oberstar again in 2004. Hardwick apologized to Councilmember's Eggena and Phillips for not reviewing the costs earlier, but this meeting allowed the opportunity to look at the projected costs again and bring everyone up to date with each area of cost. Councilmember Eggena thanked Alden for the presentation and asked Director Ridge if Kitchigami agreed with the numbers presented. Director Ridge stated that she could not speak for the Board, but she stated that the Agreement with the City seeks equity within the region and that the Board is currently reviewing revenues and expenditures for the future.

The costs incurred by the City of Brainerd was brought up again by Councilmember Eggena and discussion ensued regarding how the money paid into the system and back to the City of Brainerd is counted in their budget. Eggena commented that once you build, you will be required to fund. Eggena compared the operation of the first Community Center and how it was built from grant funds and operated with volunteers, but today we have a new building with a \$250,000 budget. While we all appreciate what we have, once the seed is planted it grows and matures. If we build, Crosslake residents will demand it be used. Councilmember Miller commented that we are hearing one person's vision of the library. The City of Wadena is operating a library with \$50,000, yet Councilmember Eggena is saying it can't be done. Councilmember Schultz stated that she feels it would be a plus for the City and by adding it onto the Community Center, the facility can be jointly used.

There was some discussion regarding the use of volunteers and Director Ridge commented that volunteers can play a supplementary role in assisting children's programs, stocking books and etc. The Library System requires paid Staff is on hand when the Library is open.

Bob Mattson asked how a library would compare to what is being offered now and Alden Hardwick stated that currently the bookmobile provides ten minutes a week whereas the library would be available 20 hours per week.

Mayor Swanson asked Director Ridge if she would write a letter to Senator Ruud and Representative Howes clarifying the points of view that have been discussed today in an attempt to overcome the misunderstandings. Director Ridge agreed to draft a letter for review by the City Council. City Administrator Swenson requested that a follow-up letter also be sent to the Lake Country Echo requesting that the original letter not be published.

Councilmember Phillips stated that he would like to see what has been sent out to the public. Hardwick stated that the prospectus developed by the Library Committee contains all of the estimated costs for the proposed library which have been reviewed at this meeting. Phillips also asked what the goal or deadline is for trying to raise the necessary funds and when would the efforts of the Committee be concluded. Alden Hardwick stated that when the Committee loses confidence as to what they can obtain, they will conclude their efforts.

Councilmember Eggena thanked Director Ridge and everyone for attending the meeting. He stated that he is glad that the issue got out on the table. While he stated he is not opposed to the Library, he is opposed to a lack of information to the public. Councilmember Miller stated that he has been around a long time and there has been a lot of problems and he thought the relationship with Kitchigami was going well, but when new Council's come in and new members say we are misleading the public, I feel that is not correct. Miller stated that no one on the Council has tried to mislead the public. Councilmember Schultz congratulated the Committee for their efforts. She stated they have gone through a lot of hurdles, but is glad that this meeting was held. City Administrator Swenson asked Director Ridge if another meeting was needed and Director Ridge felt another meeting may be pre-mature. Once the Kitchigami Board finalizes a new agreement, then it needs to be taken out into the community. Ridge also notified the Council that Gary Walters is the new representative for Crow Wing County assuming the position previously held by Commissioner Larsen.

Mayor Swanson commented that there are people who think libraries are foolish and others who think they are essential, but the public needs to receive accurate and complete information. Mayor Swanson's plea is to work together as elected officials.

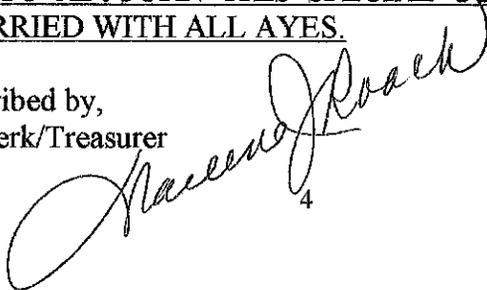
At 3:00 P.M. a five minute recess was taken.

At a Personnel Committee Meeting held earlier this date, a motion was made to recommend to the City Council the hiring of Eric Miller and David Goerges as Warming House Attendants for the 2003/2004 skating season at a rate of \$7.00 per hour. Criminal histories have been run on these two individuals, which have come back clean. Councilmember Eggena asked if this position was budgeted and Henke stated that it is. MOTION 12S1-01-03 WAS MADE BY IRENE SCHULTZ AND SECONDED BY DEAN EGGENA TO APPROVE THE HIRING OF ERIC MILLER AND DAVID GOERGES AS WARMING HOUSE ATTENDANTS FOR THE 2003/2004 SEASON. MOTION CARRIED WITH ALL AYES.

City Administrator Swenson requested that a meeting be scheduled to hear presentations from the two auditing firms submitting proposals. The Council set a meeting for Monday, January 5th at 2:00 P.M.

MOTION 12S1-02-03 WAS MADE BY DICK EGGENA AND SECONDED BY IRENE SCHULTZ TO ADJOURN THIS SPECIAL COUNCIL MEETING AT 3:08 P.M. MOTION CARRIED WITH ALL AYES.

Recorded and transcribed by,
Darlene J. Roach, Clerk/Treasurer



4