

COUNCIL PROCEEDINGS
CITY OF CROSSLAKE MINNESOTA
PUBLIC HEARING AND REGULAR SESSION
Monday, December 12, 1988
7:30 p.m. at City Hall

The City Council of Crosslake Minnesota met in a public hearing and regular council session on Monday, December 12, 1988 in the Council Chambers of City Hall. The following Councilmembers were present: Mayor Oliver Courts, Lyle Arends, Diana Gallaway, Dean Swanson and Oliver Yates. There were approximately 24 citizens present.

Mayor Courts called this Public Hearing to order at approximately 7:30 p.m. and welcomed everyone present.

Clerk Buchite read Ordinance No. 18, Third Series. Mayor Courts asked for discussion but there was none. MOTION NO. 12PH-01-88 WAS MADE BY COUNCILMEMBER GALLAWAY AND SECONDED BY COUNCILMEMBER SWANSON TO APPROVE ORDINANCE NO. 18, THIRD SERIES AS READ. MOTION PASSED WITH COUNCILMAN ARENDS VOTING NAY.

MOTION NO. 12PH-02-88 WAS MADE BY COUNCILMEMBER SWANSON AND SECONDED BY COUNCILMEMBER GALLAWAY TO ADJOURN THIS PUBLIC HEARING AT 7:35 P.M. MOTION PASSED UNANIMOUSLY.

Mayor Courts then called this regular council session to order. Mayor Courts then asked Clerk Buchite to swear in the newly elected Councilmen Roger Burshem and Charles Miller. Mayor-elect Anderson had been sworn in earlier.

The first item on the agenda was the Consent Calendar. MOTION NO. 12R-01-88 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER SWANSON TO APPROVE ALL ITEMS ON THE CONSENT CALENDAR CONSISTING OF: (1) MINUTES OF THE NOVEMBER 14, 1988 REGULAR COUNCIL SESSION; (2) MINUTES OF THE NOVEMBER 22, 1988 SPECIAL COUNCIL SESSION; (3) THE CLERK/TREASURER'S FINANCIAL REPORT FOR NOVEMBER, 1988; (4) THE TELEPHONE COMPANY'S FINANCIAL REPORT FOR NOVEMBER, 1988; AND (5) THE CABLEVISION COMPANY'S FINANCIAL REPORT FOR NOVEMBER, 1988. MOTION PASSED UNANIMOUSLY.

CLERK'S REPORT - First item on the Clerk's Report was bills for payment. Ms. Gallaway asked why the full arbitrator's bill was listed for payment when the arbitrator had sent Ms. Felber a bill for one-half of his services. Clerk Buchite indicated she had received letters from the League Attorney Chris Harristhal that they had agreed that the City would pay for the arbitrator if the arbitration would be binding. MOTION NO. 12R-02-88 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER YATES TO APPROVE ALL BILLS FOR PAYMENT INCLUDING: (1) CARLSEN, GREINER & LAW FOR \$602.49; (2) RICHARD JOHN MILLER, ARBITRATOR FOR \$2,138.00; (3) WELLS CONCRETE FOR \$7,870.00; (4) STEALY CRANE SERVICE FOR \$950.00; (5) WANNEBO EXCAVATING FOR \$2,100.00; (6) CUSTOM METAL FAB FOR \$2,139.45; AND (7) MID CENTRAL FIRE FOR \$528.00. MOTION PASSED UNANIMOUSLY.

The next item was a memo from Lansin Hamilton, Land Commissioner requesting that several parcels of land be offered for sale or deemed conversation. It was the consensus of the Council that the parcels in question on Bowers Point and O'Brian Lake be put up for sale along with the other parcels on Manhattan Point and not left as conservation. Mr. Kingstedt said he had spoken to the land commissioner's office and they say land on water cannot be put up for sale. They use these lands for accesses or wood duck houses. Mr. Arends said he thought the land could be asked to be offered for sale. MOTION NO. 12R-03-88 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER GALLAWAY TO LET THE LAND COMMISSIONER KNOW THAT THE CITY OF CROSSLAKE WANTS ALL PARCELS OF LAND PRESENTED BY THE COUNTY TO BE APPRAISED AND PUT UP FOR SALE AS OPPOSED TO TURNING THEM INTO CONSERVATION PARCELS OF LAND. MOTION PASSED UNANIMOUSLY. Mr. Kingstedt said that he was told the City does not have much clout on this deals, the County does pretty much what they want.

A letter from Larson, Allen, Weishair and Company regarding the Section 89 requirements to see if the City is in legal compliance on benefits to employees was discussed briefly. MOTION NO. 12R-04-88 WAS MADE BY COUNCILMEMBER GALLAWAY AND SECONDED BY COUNCILMEMBER SWANSON TO CONFIRM THE LETTER FROM LARSON, ALLEN, WEISHAIR AND COMPANY AND AUTHORIZE THEM TO CHECK OUT BENEFIT PACKAGE TO SEE THAT THE CITY IS IN COMPLIANCE WITH THE LAW REGARDING SECTION 89. MOTION PASSED UNANIMOUSLY.

Northern National Bank had sent a letter to the City with some substituted collateral for City funds. MOTION NO. 12R-05-88 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER YATES TO APPROVE THE SUBSTITUTED COLLATERAL FROM NORTHERN NATIONAL BANK. MOTION PASSED UNANIMOUSLY. Clerk Buchite will check to make sure the name on the pledged collateral is changed to the City of Crosslake rather than to Cross Lake County.

The next item was a boundry map from the U.S. Census Bureau. After review by the P. & Z. Coordinator, City Maintenance Superintendent and the Council it was determined that the map was correct as presented and that there were no annexations or boundry changes in Crosslake since the 1980 census. MOTION NO. 12R-06-88 WAS MADE BY COUNCILMEMBER GALLAWAY AND SECONDED BY COUNCILMEMBER SWANSON TO APPROVE THE U.S. CENSUS BUREAU MAP AS PRESENTED. MOTION PASSED UNANIMOUSLY.

A dividend from the League of Minnesota Cities Insurance Trust for \$3,994.00 was discussed briefly.

Region 5 sent a letter requesting a nomination for their commission. MOTION NO. 12R-07-88 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER GALLAWAY TO REAPPOINT DONNA GOOD FROM PEQUOT LAKES TO THE REGION 5 DEVELOPMENT COMMISSION. MOTION PASSED UNANIMOUSLY.

Clerk Buchite requested permission to attend a Section 89 seminar in Brainerd on Tuesday, December 13, 1988 which was free to the public. MOTION NO. 12R-08-88 WAS MADE BY COUNCILMEMBER GALLWAY AND SECONDED BY COUNCILMEMBER YATES TO ALLOW THE CITY CLERK TO GO TO THE SECTION 89 SEMINAR IN BRAINERD. MOTION PASSED WITH COUNCILMEMBER ARENDS VOTING NAY.

The Lion's Club had submitted applications for a gambling license at the new Moonlight Bay and renewal of their gambling license at the Ox Lake Tavern. There were no objections from any of the Councilmembers on these licenses. MOTION NO. 12R-09-88 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER SWANSON TO RENEW THE CHARITABLE GAMBLING LICENSE AT THE OX LAKE TAVERN. MOTION PASSED WITH COUNCILMEMBER GALLAWAY ABSTAINING BECAUSE HER HUSBAND IS PRESIDENT OF THE LIONS CLUB AND SHE IS A MEMBER OF THE LIONESSE CLUB.

MOTION NO. 12R-10-88 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER YATES TO APPROVE THE LIONS CLUB CHARITABLE GAMBLING LICENSE AT THE NEW MOONLIGHT BAY PROPERTIES. MOTION PASSED WITH COUNCILMEMBER GALLAWAY ABSTAINING.

The next item was two quotes received by the City Clerk for the annual audit. The quote from John Nelson of Eden Prairie was for \$4,800.00 and the quote from Larson, Allen, Wieshair and Company of Pequot Lakes (formerly Don Engen and Associates) was for \$4,400.00 and would be done by local people. MOTION NO. 12R-11-88 WAS MADE BY COUNCILMEMBER GALLAWAY AND SECONDED BY COUNCILMEMBER SWANSON TO ACCEPT THE QUOTE FROM LARSON, ALLEN, WEISHAIR AND COMPANY TO DO THE CITY'S ANNUAL AUDIT FOR A COST OF \$4,400.00, THAT THE AUDIT BE DONE AT CITY HALL AND THAT IT BE DONE BY MAY 1, 1989 IF AT ALL POSSIBLE. MOTION PASSED UNANIMOUSLY.

The fee for the American Legion Club liquor license was discussed briefly as to if it should be pro-rated or full price charged for the 6 months remaining of this licensing period. Mr. Arends said the City has always pro-rated the rest and he felt the Legion license should be pro-rated also. MOTION NO. 12R-12-88 WAS MADE BY COUNCILMEMBER SWANSON AND SECONDED BY COUNCILMEMBER YATES TO PRO-RATE THE CITY FEE FOR THE AMERICAN LEGION LIQUOR LICENSE FOR 1988-1989. MOTION PASSED UNANIMOUSLY.

Clerk Buchite said she had not received any bids for gasoline or diesel oil for the City vehicles. Discussion ensued regarding what should be done about purchasing gasoline to keep it fair for local service stations. It was the consensus of the Council that there should be a price advantage by using the bulk tanks exclusively. Mr. Swanson said he feels that the City vehicles should keep rotating between the local service stations for daytime purchases but to keep the bulk tanks full for night time use. Road Supervisor Hoag and Police Chief Backdahl both feel they could not be without their bulk tanks. MOTION NO. 12R-13-88 WAS MADE BY COUNCILMEMBER SWANSON AND SECONDED BY COUNCILMEMBER YATES THAT BOTH THE POLICE DEPARTMENT AND THE ROAD DEPARTMENT WORK OUT SOMETHING EQUITABLE FOR ALL CITY SERVICE STATIONS FOR DAYTIME PURCHASES OF GASOLINE AND DIESEL FUEL. MOTION PASSED UNANIMOUSLY.

PARK AND RECREATION - Mr. Arends said he did not know if the furnace was working yet or if the faulty electric pedestal had been replaced.

Kurt Anderson, Commission member, said they had received 5 applications for warming house attendant. Mr. Anderson said he felt the Park

Commission would be inclined to hire the two from last year because they are trained and the rink is supposed to be open this coming weekend. Mr. Anderson said he would like to have the Council give the Park Commission permission to hire the attendants with approval of the Council later. MOTION NO. 12R-14-88 WAS MADE BY COUNCILMEMBER SWANSON AND SECONDED BY COUNCILMEMBER GALLAWAY TO GIVE AUTHORITY TO HIRE TWO PART-TIME RINK ATTENDANTS TO THE PARK COMMISSION AND TO BRING THEIR RECOMMENDATIONS BACK TO THE JANUARY COUNCIL MEETING FOR APPROVAL. MOTION PASSED UNANIMOUSLY.

Mr. Swanson asked about the retyping of the Park Policies and Mr. Anderson said it was ready and would go before the Park Commission on Thursday evening at the regular monthly meeting for final approval before being presented to the Council for their final approval.

PLANNING AND ZONING - Mr. Kingstedt read a portion of the minutes of the last Planning and Zoning meeting at which time the Commission by Motion 5-11-88 recommended approval of a Conditional Use Permit for a 5-Room Bed and Breakfast to the City Council. A survey of the property was prepared by Landecker and Associates because Mr. Tom Fitzpatrick, Attorney for the opposition, questioned the authenticity of a drawing which had been presented earlier. Mayor Courts declared that there would be no input from the audience because there had already been public hearings and meetings for public input, but the Council had a right to overturn his ruling if they desired. The Council made no motion to overturn the Mayor's ruling. Mr. Tom Fitzpatrick said he wanted to register his objections as he was representing Mr. Paul Bilzerian and his wife Terry Steffans, neighbors to the proposed bed and breakfast. Mr. Fitzpatrick said he was present seeking the opportunity to provide input to the City Council before they make an important decision and if the Council chose not to listen, he wanted to register his formal objection because he had Bruce Buxton from Widseth Smith Nolting and Associates and James Runberg, Real Estate Appriaser present also on behalf of Bilzerian and Steffans. Mr. Fitzpatrick also had court reporter Robert Engen present at the meeting.

Mayor Courts said this is a request for a Conditional Use Permit and he felt that the Planning and Zoning Commission had done their job and were recommending approval of this Conditional Use Permit by the Council. Mayor Courts went on to say that Conditional Use Permits are only granted with conditions and if conditions are not met then the permit cannot be issued. MOTION NO. 12R-15-88 WAS MADE BY COUNCILMEMBER ARENDS TO GRANT A CONDITIONAL USE PERMIT TO LONNA ANDOLSHEK FOR A 5-ROOM BED AND BREAKFAST. MOTION WAS SECONDED BY BOTH COUNCILMEMBERS YATES AND SWANSON. Mr. Swanson said he voted to deny the permit last time because all points were not covered the way he felt they should be but he wanted to commend Ms. Andolshek for bringing the information that was requested for this permit. MOTION PASSED WITH COUNCILMEMBERS ARENDS, GALLAWAY, SWANSON AND YATES VOTING AYE.

Mayor Courts read a commendation on behalf of Mr. Kingstedt from Bruce Larson of Shores and More Realty. MOTION NO. 12R-16-88 WAS MADE BY

COUNCILMEMBER GALLAWAY AND SECONDED BY COUNCILMEMBER SWANSON TO PUT THE LETTER OF COMMENDATION FOR THE PLANNING AND ZONING COORDINATOR INTO HIS CONTRACT FILE. MOTION PASSED WITH COUNCILMEMBER ARENDS VOTING NAY.

Mr. Kingsted then read a memo he had given to the City Clerk regarding his vacation schedule and the name of his attorney who will represent his interests in his absence.

Councilmember Swanson said it had come to his attention that there was a roadway in Section 27 that may need so Council action to remain a public roadway. MOTION NO. 12R-17-88 WAS MADE BY COUNCILMEMBER SWANSON AND SECONDED BY COUNCILMEMBER GALLAWAY TO INSTRUCT THE CITY CLERK TO CHECK WITH THE COUNCIL REGARDING THE ROADWAY INTO SECTION 27. MOTION PASSED UNANIMOUSLY.

CEMETERY - Mr. Arends said Tom Woog still does not have any information for him regarding the possibility of purchasing some land for the cemetery. Mr. Arends said Sam Dunbar does not seem to enthused about selling any land.

PUBLIC SAFETY - No report.

UTILITIES COMMISSION - Mr. Dene Carney, Chairman, presented two items for Council consideration. The first item was approval of union negotiations. Mr. Arends said he felt that \$35.00 was too much pay just to wear a pager. Mr. Swanson asked about the per-diem. Mr. Arends said he felt that if the employees get overtime for work they do not need their meals paid also. Free telephones for employees were discussed briefly and the Council was informed that all employees numbers must be published in order to get free phone service. MOTION NO. 12R-18-88 WAS MADE BY COUNCILMEMBER GALLAWAY AND SECONDED BY COUNCILMEMBER SWANSON TO ACCEPT THE UNION NEGOTIATIONS FOR A TWO YEAR CONTRACT FOR THE TELEPHONE COMPANY EMPLOYEES AS PRESENTED. MOTION PASSED UNANIMOUSLY.

The next item Mr. Carney presented was a proposal to get a lower rate of interest on the telephone company loan through Rural Telephone Bank at 5 percent or at the prevailing rate instead of the 7½ percent through the old loan proposal. With Council approval, Mr. Carney said they could lock into the prevailing rate. MOTION NO. 12R-19-88 WAS MADE BY COUNCILMEMBER SWANSON AND SECONDED BY COUNCILMEMBER GALLAWAY TO APPROVE HAVING THE CLERK AND MAYOR SIGN THE RESOLUTION FOR THE TELEPHONE COMPANY TO APPLY FOR A VARIABLE RATE LOAN TO REPLACE THE PREVIOUSLY APPROVED LOAN. MOTION PASSED UNANIMOUSLY.

ROAD COMMISSION - Mr. Will Hoyt from Landecker and Associates, was present to discuss the proposed assessments for Dream Island Blacktopping. On May 17, 1989 a petition was received by the City signed by 20 of the 27 residents of the island to have their road blacktopped. According to Mr. Hoyt unless there is 100 percent petitioning there must be a public hearing. Mr. Hoyt indicated that rough first estimate figures would be approximately \$40,800.00 divided by the 32 equalivent lots is \$1,275.00

The assessment would be 100 percent assessed against the property owners because it is currently a dirt road. Mr. Hoyt recommended overlaying a portion of Daggett Pine Road at the same time Dream Island is done, and stating that there may be a -right-of-way problem with a couple of parcels which may have to be addressed before overlayment. Mr. Hoyt said proper procedure for Dream Island would be to hold a preliminary hearing and send information to the people who are not here. It was the consensus of the Council that it would be better to wait until Spring to hold the public hearings because some people may change their minds when they find out the cost of blacktopping. MOTION NO. 12R-20-88 WAS MADE BY COUNCILMEMBER SWANSON AND SECONDED BY COUNCILMEMBER GALLAWAY TO SEND OUT PRELIMINARY INFORMATION TO THE PEOPLE ON DREAM ISLAND AND REQUEST FEED BACK. MOTION PASSED WITH COUNCILMEMBER ARENDS VOTING NAY. Mr. Arends said he knows of two people who own three lots each and it will cost them too much money.

Mr. Hoyt said final assessment hearing could be held for Daggett Bay and Milinda Shores Roads at anytime but it may be better to wait for final cost figures because it is more fair to landowners that way.

Scott Gallaway, Chairman, said the Road Commission would like to have Council approval to get preliminary figures for next years road work. MOTION NO. 12R-21-88 WAS MADE BY COUNCILMEMBER GALLAWAY AND SECONDED BY COUNCILMEMBER SWANSON TO ALLOW THE ROAD COMMISSION AND CITY ENGINEER TO PROCEED WITH PRELIMINARY WORK TO OBTAIN COST ESTIMATES FOR ROAD WORK FOR 1989. MOTION PASSED WITH COUNCILMEMBER ARENDS VOTING NAY.

Mr. Gallaway said costs for the new bridge on Milinda Shores are coming in at about \$11,500.00 with some minor work still needed in the Spring.

Mr. Gallaway said the Road Commission was recommending to the Council to allow the Street Department to purchase a new snow blower to be used on the loader. MOTION NO. 12R-22-88 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER GALLAWAY TO PURCHASE THE SNOW BLOWER AT THE COST OF APPROXIMATELY \$2,310.00. MOTION PASSED UNANIMOUSLY.

The policy for when snowplowing should begin was discussed briefly. The policy states, "Snow will be plowed from City streets when there is 3" or more of snow and when it has quit snowing." Mr. Swanson asked when City crews would go back to widen roads and Mr. Hoag said they go back as soon as they can after a snowfall. MOTION NO. 12R-23-88 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER YATES TO ACCEPT THE POLICY ON SNOW REMOVAL AS PRESENTED BY THE ROAD COMMISSION. MOTION PASSED UNANIMOUSLY.

FUNDING AND FUTURE DEVELOPMENT - Mayor Courts read a letter written to the post office stating that there is no problem with the Old Log Landing site as far as planning and zoning requirements. MOTION NO. 12R-24-88 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER YATES TO SEND THE REVISED LETTER AS READ TO THE POSTAL SERVICE. MOTION PASSED UNANIMOUSLY.

PERSONNEL - The Council received a memorandum from the City Clerk regarding hours over 40 worked by the Park Director. Clerk Buchite had talked to personnel at the League of Minnesota Cities, at the State agency involved in fair labor standards and at the Federal agency that handles inquiries on the Fair Labor Standards Act and all of them informed her that the Park Director job cannot be considered a supervisory job because there are not 2 full-time or equivalent jobs to supervise. Because of this the Park Director is entitled to overtime for all hours in excess of forty per week. Ms. Gallaway asked if the hours she works in excess of 40 on a given week could be taken as compensation time and Clerk Buchite said that according to the information she was given, that could happen in the future but not for the past two years. Clerk Buchite said the Fair Labor Standards people said the City should go back and pay overtime for the past two years to avoid a lawsuit. With the position salaried as it is as present even if only 28 to 35 hours are worked, the salary is set up for forty hours and if over 40 hours are claimed, overtime must be paid either in salary or compensatory time off. MOTION NO 12R-25-88 WAS MADE BY COUNCILMEMBER GALALWAY AND SECONDED BY COUNCILMEMBER SWANSON TO PUT THE PARK DIRECTOR BACK TO AN HOURLY RATE EMPLOYEE AND NO OVERTIME IS TO BE WORKED WITHOUT PRIOR APPROVAL FROM THE LIAISON AND OVERTIME IS TO BE TAKEN AS COMEPNSATORY TIME OFF TO AVOID GOING OVER BUDGET. MOTION PASSED WITH COUNCILMEMBER ARENDS VOTING NAY.

Mr. Arends said he would like to see the facts on what has gone on for the last two years with the hours for the Park Director before any action is taken on it. Clerk Buchite said the problem is that everyone considered the job to be supervisory and it is not. MOTION NO. 12R-26-88 WAS MADE BY COUNCILMEMBER GALLAWAY AND SECONDED BY COUNCILMEMBER YATES TO HAVE THE CITY CLERK AND PARK DIRECTOR WORK TOGETHER ON TIME CARDS FROM DECEMBER OF 1986 TO PUT TOGETHER ALL OVERTIME DUE AND TO DETAIL IT OUT FOR THE NEW COUNCIL TO RULE ON. MOTION PASSED UNANIMOUSLY.

Clerk Buchite said that the pay-back to the Park Director for the 10-day suspension was in the hands of the arbitrator because the Park Director was suspended for only 7 working days and received 2 days pay back on the advise of the City Attorney. It was the consensus of the Council to await the arbitrators decision and let the new Council act on it.

NEW BUSINESS - A letter from Sign Service, Inc. was presented by Councilmember Swanson. The letter gave pricing information on a lighted sign, under glass and locked so no words could be altered. Mr. Swanson said the purpose of the sign would be to announce special and/or regular meetings. The cost would be \$3,700.00 delivered and an addition \$800.00 installed. The letters and storage cabinet would be extra. Mr. Swanson said he felt the new Council should look at the sign and make the decision but he would like to see a quality sign if one is installed.

OLD BUSINESS - Mr. Arends said he did not pursue getting quotes for a cleaning lady at City Hall because he felt the new Council should act on this. Clerk Buchite indicated that she had some inquiries to do

the cleaning but they requested that a description of the duties be laid out so they can put in a bid by the job and not hourly. It was the consensus of the Council to let the new Council handle this.

PUBLIC FORUM - Nothing.

MAYOR'S REPORT - Mayor Courts thanked the Councilmembers for all their work during his term of office and said he appreciated knowing and working with them. He also thanked the City Clerk and he could not have done his job without her. He said he felt there was a lot accomplished and he enjoyed being mayor. Mayor Court's said there is a large reserve of funds for the new Council. He is more than willing to serve on a Commission. He expressed his best wishes to the new Council.

Councilmember Swanson also expressed his appreciation for being allowed to serve on the Council and he also stated he would be willing to serve on any commission.

MOTION NO. 12R-27-88 WAS MADE BY COUNCILMEMBER ARENDS AND SECONDED BY COUNCILMEMBER SWANSON TO ADJOURN THIS REGULAR COUNCIL SESSION AT 9:50 P.M. MOTION PASSED UNANIMOUSLY.

Recorded and transcribed by:



Arlene A. Buchite
City Clerk/Treasurer