

SPECIAL COUNCIL MEETING
AND PUBLIC INFORMATION MEETING
CITY OF CROSSLAKE
MONDAY, DECEMBER 22, 2014
6:30 P.M. – CITY HALL

The Council for the City of Crosslake met in a Special Session on December 22, 2014. The following Council Members were present: Mayor Darrell Schneider, Steve Roe, Gary Heacox, and Mark Wessels. John Moengen was absent. Also present were City Administrator/Consultant Dan Vogt, Finance Director/Treasurer Mike Lyonais, City Clerk Char Nelson, Public Works Director Ted Strand, Police Chief Bob Hartman, Fire Chief Chip Lohmiller, Park and Recreation Director Jon Henke, City Attorney Brad Person, CTC Manager Kevin Larson, Office Manager Debby Floerchinger, Council Member Elect Dave Schrupp, Northland Press Reporter Paul Boblett, and Echo Publishing Reporter Dan Determan. There were approximately six people in the audience.

Mayor Schneider called the Special Council Meeting to order at 6:30 P.M. MOTION 12SP1-01-14 WAS MADE BY MARK WESSELS AND SECONDED BY GARY HEACOX TO MOVE COUNCIL INTO CLOSED SESSION AT 6:30 P.M. PURSUANT TO MN STATUTE SECTION 13D.05, SUBDIVISION 3(b) PURSUANT TO THE ATTORNEY-CLIENT PRIVILEGE TO DISCUSS PENDING/THREATENED LITIGATION REGARDING A FORMER EMPLOYEE. MOTION CARRIED WITH ALL AYES.

Mayor Schneider reported at 7:03 P.M. that the Council held a discussion with Labor Attorney Steve Fecker via telephone and that no decision was made regarding threatened litigation from a former employee.

Mike Lyonais gave a presentation of the 2015 Proposed Budget. Information included levy history, tax rates, tax capacity and capital expenses. The Mayor opened the meeting to public comments at 7:25. No public comment was received and the Mayor closed comments from the public at 7:30 P.M. The Council held a lengthy discussion regarding debt and whether the City should consider issuing equipment certificates for capital expenditures. Dan Vogt noted that the City is required to assess property owners 20% of a road project in order to issue bonds for road improvements. If the Council wanted to avoid debt, it would take many years to build up a savings to pay for road projects. MOTION 12SP1-02-14 WAS MADE BY MARK WESSELS AND SECONDED BY GARY HEACOX TO APPROVE THE 2015 CITY REVENUE BUDGET TOTALING \$4,004,473 AND THE 2015 EXPENDITURE BUDGET TOTALING \$4,090,252. MOTION CARRIED WITH ALL AYES.

MOTION 12SP1-03-14 WAS MADE BY MARK WESSELS AND SECONDED BY GARY HEACOX TO ADOPT RESOLUTION NO. 14-15 APPROVING THE FINAL 2014 TAX LEVY COLLECTIBLE IN 2015 IN THE AMOUNT OF \$2,912,000. MOTION CARRIED WITH ALL AYES.

MOTION 12SP1-04-14 WAS MADE BY STEVE ROE AND SECONDED BY MARK WESSELS TO AUTHORIZE THE ORDERING OF PARTS FOR SEWER PLANT

IMPROVEMENTS WHICH ARE INCLUDED IN THE 2015 BUDGET. MOTION CARRIED WITH ALL AYES.

MOTION 12SP1-05-14 WAS MADE BY MARK WESSELS AND SECONDED BY GARY HEACOX TO ADOPT RESOLUTION NO. 14-16 RELATING TO THE CITY OF CROSSLAKE CAFETERIA PLAN. The Plan allows the employee share of health premiums to be deducted from salaries before taxes are deducted. MOTION CARRIED WITH ALL AYES.

The Council reviewed an agreement with CTC I.T. for server maintenance including firewall management, anti-virus planning, router management and backup management for computers at City Hall. Mike Lyonais reported that the cost was included in the 2015 Budget. MOTION 12SP1-06-14 WAS MADE BY MARK WESSELS AND SECONDED BY GARY HEACOX TO APPROVE THE ONE-YEAR AGREEMENT WITH CTC I.T. AT A COST OF \$500 PER MONTH FOR SERVER MAINTENANCE. MOTION CARRIED WITH ALL AYES.

Kevin Larson reported that negotiations with the IBEW Union were held on December 10th and that an agreement was reached for a three-year contract. The proposed contract included wage increases of 2.5% for 2015, 2.0% for 2016 and 2.0% for 2017. Standby pay increased to \$175 per week. MOTION 12SP1-07-14 WAS MADE BY DARRELL SCHNEIDER AND SECONDED BY STEVE ROE TO APPROVE THE 2015-2017 LABOR AGREEMENT WITH IBEW LOCAL 949 AS PRESENTED. MOTION CARRIED WITH ALL AYES.

Kevin Larson reviewed the Management Services Agreement between Consolidated Telephone Company and Crosslake Communications. Mr. Larson recapped what CTC has accomplished since October and reported that the employees at Crosslake Communications are looking for leadership. Mr. Larson stated that there is still work to be done and that he hopes to bring the Council and Advisory Board together for discussion of future planning. A discussion ensued regarding termination options and what measures would be necessary to sever services. Although the Agreement includes a five-year term, the Council negotiated that either party can terminate the agreement upon 120 days written notice. MOTION 12SP1-08-14 WAS MADE BY MARK WESSELS AND SECONDED BY DARRELL SCHNEIDER TO APPROVE THE MANAGEMENT SERVICES AGREEMENT BETWEEN CONSOLIDATED TELEPHONE COMPANY AND CROSSLAKE COMMUNICATIONS DATED DECEMBER 22, 2014 IN THE AMOUNT OF \$17,500 PER MONTH WITH THE FOLLOWING CHANGES: REMOVE PARAGRAPH 1.5 ON PAGE TWO WHICH DOES NOT PERTAIN TO THIS AGREEMENT AND TO CHANGE CANCELLATION CLAUSE ON PAGE THREE TO "120 DAYS" FROM "180 DAYS". MOTION CARRIED WITH ALL AYES.

MOTION 12SP1-09-14 WAS MADE BY MARK WESSELS AND SECONDED BY STEVE ROE TO APPROVE A CHANGE IN JOB TITLE FOR DEBBY FLOERCHINGER OF CROSSLAKE COMMUNICATIONS TO LOCAL MANAGER FROM OFFICE MANAGER. MOTION CARRIED WITH ALL AYES.

MOTION 12SP1-10-14 WAS MADE BY MARK WESSELS AND SECONDED BY STEVE ROE TO APPROVE THE FOLLOWING ADJUSTMENTS IN SALARY FOR DEBBY FLOERCHINGER: A ONE-TIME \$5,000 SALARY ADJUSTMENT EFFECTIVE 1-1-15 TO COMPENSATE FOR 20% OF EMPLOYEE SHARE OF HEALTH INSURANCE PREMIUM.

A 1.5% SALARY INCREASE FOR 2015, AND A \$200 PER MONTH COMPENSATION EFFECTIVE 10/1/14 FOR EXTRA DUTIES OF LOCAL MANAGER. MOTION CARRIED WITH ALL AYES.

MOTION 12SP1-11-14 WAS MADE BY GARY HEACOX AND SECONDED BY MARK WESSELS TO APPROVE A ONE-TIME \$5,000 SALARY ADJUSTMENT TO COMPENSATE FOR 20% OF EMPLOYEE SHARE OF HEALTH INSURANCE PREMIUM AND A 1.5% SALARY INCREASE FOR 2015 FOR ACCOUNTANT CYNDI PERKINS. MOTION CARRIED WITH ALL AYES.

MOTION 12SP1-12-14 WAS MADE BY STEVE ROE AND SECONDED BY GARY HEACOX TO APPROVE RESOLUTION NO. 14-17 ACCEPTING DONATIONS. MOTION CARRIED WITH ALL AYES.

Dan Vogt thanked Mayor Schneider and Council Member Moengen for their many years of service to the City.

There being no further business at 8:55 P.M., MOTION 12SP1-13-14 WAS MADE BY MARK WESSELS AND SECONDED BY DARRELL SCHNEIDER TO ADJOURN THE MEETING. MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,



Charlene Nelson
City Clerk

Deputy Clerk/Minutes/12-22-14

RESOLUTION NO. 14-15
RESOLUTION APPROVING FINAL 2014 TAX LEVY
COLLECTIBLE IN 2015

Be it resolved by the Council of the City of Crosslake, County of Crow Wing, Minnesota, that the following sums of money be levied for the current year, collectible in 2015, upon taxable property in the City of Crosslake, for the following purposes:

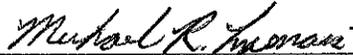
General Property Tax Levy	2,430,237
2006 Series B	136,746
2012 Series A	<u>345,017</u>
Total Levy	2,912,000

The Finance Director/Treasurer is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Crow Wing County, Minnesota.

Adopted by the City Council on December 22, 2014.



Darrell Schneider
Mayor



Michael R. Lyonais
City Finance Director/Treasurer

CITY OF CROSSLAKE

RESOLUTION NO. 14-16

ADOPTING RESOLUTION RELATING TO THE CITY OF CROSSLAKE
CAFETERIA PLAN

The undersigned authorized representative of City of Crosslake (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on December 22, 2014, and that such resolution have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended Cafeteria Plan including a Health Flexible Spending Account and Dependent Care Flexible Spending Account effective January 1, 2015, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto as Exhibits A and B, respectively, are true copies of the City of Crosslake Cafeteria Plan as amended and restated, and the Summary Plan Description approved and adopted in the foregoing resolutions.

Adopted this 22nd day of December 2014 by a 4/5 majority of the Council.



Darrell Schneider
Mayor



Charlene Nelson
City Clerk

City of Crosslake

RESOLUTION 14-17

RESOLUTION ACCEPTING DONATION(S)

WHEREAS, the City of Crosslake encourages public donations to help defray costs to the general public of providing services and improving the quality of life in Crosslake; and

WHEREAS, the City of Crosslake is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 for the benefit of citizens; and

WHEREAS, said Statute 465.03 requires that all gifts and donations of real or personal property be accepted only with the adoption of a resolution approved by two-thirds of the members of the City Council; and

WHEREAS, the following person/persons and/or entity/entities has/have donated real and/or personal property as follows:

FROM	DONATION	INTENDED PURPOSE
John and Lynn Dougherty	\$ 75.00	Annual Library Fundraising Campaign
Patricia Cormaney	\$ 200.00	Annual Library Fundraising Campaign

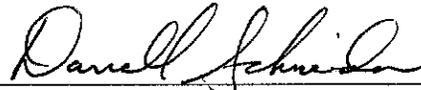
; and

WHEREAS, the City of Crosslake will strive to use the donation as intended by the donor; and

WHEREAS, the City Council finds that it is appropriate to accept said donation(s) as offered.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Crosslake that the donation(s) as described above are accepted as allowed by law.

Passed this 22nd day of December, 2014.



Darrell Schneider
Mayor

ATTEST:



Charlene Nelson
City Clerk

Approved this 22nd day of December, 2014.

(SEAL)