

SPECIAL COUNCIL MEETING  
CITY OF CROSSLAKE  
THURSDAY, DECEMBER 30, 1999  
9:00 A.M. – CITY HALL

The Council for the City of Crosslake met in the Council Chambers of City Hall on Thursday, December 30, 1999. Present at the meeting was Mayor Darrell Swanson, Councilmembers Charles Miller, Irene Schultz, Dean Swanson and Richard Upton. Also present were City Administrator Thomas Swenson, General Manager Kevin Larson, City Attorney Paul Sandelin, Deputy Clerk Darlene Roach, Attorney Gerry Brine and Bill Reed.

Mayor Swanson called the special meeting to order at 9:00 A.M. and stated that the purpose of the meeting was to finish up year-end business.

1. Diana Gallaway – Build All Lumber – Enhanced 911 Address – City Administrator Swenson stated that when E911 Addresses were assigned, Build All Lumber was assigned an address off of Fawn Lake Road. Since that time, two additional structures have been built to the North of the road that runs on the East side of Build All Lumber. The Ordinance states that when two or more structures are built on a road, the road shall be named. The road was named Industrial Road. Geo Comm has recently assigned new addresses to the new structures as well as a new address for Build All Lumber. Since Build All Lumber has recently purchased invoices and stationery with the Fawn Lake Road addresses, they are requesting that they be allowed to keep the Fawn Lake Road address until such time as they subdivide the property. MOTION 12S2-01-99 WAS MADE BY DEAN SWANSON AND SECONDED BY RICHARD UPTON TO ALLOW BUILD ALL LUMBER TO KEEP THE FAWN LAKE ROAD ADDRESS UNTIL SUCH TIME AS THE PROPERTY LYING BETWEEN FAWN LAKE ROAD AND THE BUILD ALL LUMBER BUILDING IS DEVELOPED OR SUBDIVIDED. AT THAT TIME THE ADDRESS WOULD BE CHANGED TO INDUSTRIAL ROAD. MOTION CARRIED WITH ALL AYES. A copy of these minutes will be placed in the Planning and Zoning file until such time as any subdivision is done.

2. Bills for Payment – MOTION 12S2-02-99 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN SWANSON TO APPROVE THE BILLS FOR PAYMENT AS SUBMITTED IN THE AMOUNT OF \$29,968.89. MOTION CARRIED WITH ALL AYES.

3. Decertify a Portion of the Crosswoods TIF District – City Attorney Sandelin stated that the Stone's have requested a de-certification of the Outlots since there is no future development of these Outlots at this time. Attorney Gerry Brine representing the Stone's concurred with this request. A letter dated December 15, 1999 from John Stone requested that the City pass a Resolution decertifying Outlot A, Outlot B, Outlot C, Outlot D, Outlot E and Outlot F within the Common Interest Community No. 1034, a Planned Community. It was noted that the Crow Wing County Auditor's Office has not yet assigned real estate parcel ID numbers to these Outlots, therefore

the Resolution prepared by City Attorney Sandelin will identify the parcels by Outlot numbers. MOTION 12S2-03-99 WAS MADE BY RICHARD UPTON AND SECONDED BY CHUCK MILLER TO APPROVE RESOLUTION NO. 99-108 DECERTIFYING PARCELS IN TAX INCREMENT FINANCING DISTRICT NO. 1-7. Councilmember Miller asked what the purpose was for decertifying and Attorney Brine stated that the TIF schedule is running on these outlots even though there are no plans for developing them at this time. The developer may come back at a later date and request that they be set up as a new TIF district. MOTION CARRIED WITH ALL AYES.

4. Release 1999 Reed's TIF Increment – A memo dated December 30, 1999 from City Administrator Swenson requested approval to reimburse 90% of the incremental tax revenues received from Reed's IGA Store in 1999. Due to changes in the Law regarding TIF, the City is currently losing approximately \$10,000 a year in LGA/HACA for TIF District 1-3, so it is the consensus of City Attorney Sandelin, Sid Inman of Ehlers and Associates and City Administrator Swenson that 90% of the money be released to the developer in order to close the district as soon as possible. With this release, the district can be shut down after next years payments are released. The City will review the status of the district at year end 2000 and determine if the tax increment balance should be paid to the developer and a resolution prepared to decertify the district. Bill Reed concurred with this action. MOTION 12S2-04-99 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN SWANSON TO APPROVE THE RELEASE OF \$21,335.75 IN INCREMENTAL TAX REVENUES TO REED'S IGA STORE. MOTION CARRIED WITH ALL AYES.
5. Discuss Public Works Memo regarding revised Road Standards and Swann Drive Design - The Public Works Commission approved a motion to recommend that the City Council authorize WSN to prepare a proposal for engineering services for Swann Drive including the design of an urban section road including storm sewer and sanitary sewer. City Administrator Swenson read a letter dated December 21, 1999 from Bill Reed requesting that Pioneer Road be designed and engineered at the same time as Swann Drive with the costs incurred to be paid by him over a ten year period if possible. City Administrator Swenson stated that if the two roads were combined, the engineer could go through the normal process and all costs on Pioneer Road would be assessed to Bill Reed. City Attorney Sandelin stated that there would be some cost savings to doing the two roads at the same time. City Engineer Dave Reese stated that WSN would like to do both roads at the same time from the standpoint of storm water runoff. MOTION 12S2-05-99 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN SWANSON TO DIRECT WIDSETH SMITH NOLTING TO PREPARE A FEASIBILITY REPORT FOR SWANN DRIVE AND PIONEER DRIVE FOR THE JANUARY 10, 2000 MEETING. Councilmember Swanson stated that a meeting has been scheduled for next week with Del Anderson regarding his property which abuts Swann Drive. There was some discussion at an earlier meeting of the City Council that if the road is re-aligned, the City would agree to pay the costs for the realignment. MOTION CARRIED WITH ALL AYES. The Public Works Commission also discussed and approved a

motion recommending adoption of a 14 foot paved surface, one foot shoulder and six foot clear zone on currently existing platted right of ways on dead end roads serving five lots or less and adoption of a 16 foot paved surface, one foot shoulder and six foot clear zone on currently existing platted right of ways on dead end roads serving six to ten lots. Included for Council information was a cross section of 14 and 16 foot wide roadways which was prepared by Widseth Smith Nolting. A letter dated December 28, 1999 from City Attorney Steve Qualley stated that the City was immune from liability on a roadway constructed lower than those recommended by the American Association of State Highway and Transportation Officials provided the decision by the City to construct the 14 or 16 foot roadway was a planned activity involving a planned decision by the Council taking into account economic considerations and citizen concerns about the roadway. MOTION 12S2-06-99 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN SWANSON TO ADOPT AN ORDINANCE AMENDING THE ROAD STANDARDS TO 14 FOOT ROADWAYS ON DEAD END ROADS WHERE FIVE LOTS OR LESS ARE SERVED AND 16 FOOT ROADWAYS ON DEAD END ROADS WHERE SIX TO TEN LOTS ARE SERVED DUE TO CITIZEN CONCERNS AND COST FACTORS. MOTION CARRIED WITH ALL AYES. The Public Works Commission also discussed the guardrail issue on Tamarack Road and directed the City Administrator to contact the City Attorney to review City liability if the guardrail stays in the same location, is moved outside the existing gas line which could limit its effectiveness or if the City removed the guardrail completely. A letter dated December 28, 1999 from City Attorney Qualley stated that certain decisions made by cities are immune from liability provided the City balances the recommendations and opinions given by the City Engineers along with other factors such as the financial, political, economic and social effects of the decisions. What effect the guardrail has on snowplowing is unknown at this time. MOTION 12S2-07-99 WAS MADE BY CHUCK MILLER AND SECONDED BY RICHARD UPTON TO KEEP THE GUARDRAIL STATUS QUO UNTIL NEXT APRIL WHEN PUBLIC WORKS CAN EXAMINE THE ISSUE FURTHER FOR A RECOMMENDATION TO THE CITY COUNCIL AT THE MAY MEETING. MOTION CARRIED WITH ALL AYES. Upon further examination of the City Code, City Attorney Paul Sandelin stated that a public hearing is required in order to adopt changes to the Ordinance regarding road standards. MOTION 12S2-08-99 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN SWANSON TO SET THE PUBLIC HEARING FOR MONDAY, JANUARY 10, 2000 AT 6:30 P.M. AMENDED MOTION WAS MADE BY RICHARD UPTON AND SECONDED BY IRENE SCHULTZ TO SCHEDULE THE PUBLIC HEARING FOR THE JANUARY 24, 1999 PUBLIC WORKS COMMISSION MEETING. MOTION CARRIED WITH ALL AYES. If input is received at the Public Hearing which would result in substantial changes to the Ordinance, those changes will be reported to the Council for further consideration prior to publishing the Ordinance Summary, otherwise the Ordinance will become effective upon publication.

6. Review Joint Maintenance Facility – The final draft of the study was provided to the City by WSN. Councilmembers Swanson and Miller, City Administrator Swenson and Public Works Foreman Pat Hoag met with Duane Blanck and Steve Stahlberg of WSN to review the study. All were in agreement that the facility should be done in a phased program. The proposed building would be constructed of pre-cast concrete. MOTION 12S2-09-99 WAS MADE BY DEAN SWANSON AND SECONDED BY CHUCK MILLER TO ADOPT THE MAINTENANCE FACILITY DESIGN WITH CONSTRUCTION IN THREE OR MORE PHASES WITH PRECAST CONCRETE AS THE PREFERRED TYPE STRUCTURE PROVIDED THE COUNTY ALSO ADOPTS THE PLAN AND TO DIRECT THE COMMISSION TO CONTINUE TO WORK ON THE PROJECT TO CONSIDER FINANCING OPTIONS. The County Board has received a copy of the study but any action taken is unknown as of this date. Mayor Swanson asked what timeframe was being considered for construction and City Administrator Swenson stated either summer to fall of 2000 or possibly 2001. The County can use State Aid Road Funds for this type of project, but it is not known whether the City could utilize these funds. MOTION CARRIED WITH ALL AYES.
7. November 11, 1999 letter from WSN regarding proposal to research existing deeds and perform survey work on Sleepy Valley Road right of way issues – In order to do the necessary work to clean up the Sleepy Valley Road right of way issues, WSN has provided an estimated cost of \$1500 for the project. The Hoffman estate deeded property to the City in 1968, however, the change was never recorded. The warranty deed has now been recorded, however, the property has changed ownership. It appears that the newly constructed road is in the correct location, however quit claim deeds need to be prepared to clean up the outstanding issues. City Attorney Sandelin stated that these cleanup issues would be considered housekeeping matters rather than a road vacation. MOTION 12S2-10-99 WAS MADE BY DEAN SWANSON AND SECONDED BY RICHARD UPTON TO APPROVE THE CLEANUP PROCESS ON SLEEPY VALLEY ROAD PER THE PROPOSAL RECEIVED FROM WSN NOT TO EXCEED \$1500. MOTION CARRIED WITH ALL AYES.
8. Personnel Committee recommendation to hire Brass Tacks Network – The Personnel Committee has met with the Public Works employees and are recommending the hiring of Brass Tacks Network, a company that deals with conflict resolution. MOTION 12S2-11-99 WAS MADE BY CHUCK MILLER AND SECONDED BY RICHARD UPTON TO HIRE BRASS TACKS TO WORK WITH PUBLIC WORKS AT A COST NOT TO EXCEED \$3000. MOTION CARRIED WITH ALL AYES.
9. December 27, 1999 memo from Kevin Larson regarding investment recommendation – The Investment Committee and Utilities Commission recommends that \$1.2 million of RCC Stock sale be designated as the required “Restricted Reserves” for the appropriate funds within Crosslake Communications and the remaining \$3 million as “Designated Reserves” for future capital improvement needs. The interest income from the above reserves totaling \$4.2 million will accumulate to provide funding for

future capital needs. MOTION 12S2-12-99 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN SWANSON TO APPROVE THE INVESTMENT RECOMMENDATION BY THE INVESTMENT COMMITTEE AND THE UTILITIES COMMISSION. MOTION CARRIED WITH ALL AYES. General Manager Larson stated that six employees will be on duty the evening of December 31<sup>st</sup>, that all fuel tanks are full, the Y2K Business Contingency Plan has been distributed and testing of 911 will be done between 12:15 A.M. and 12:30 A.M.

10. Accept donation from Game and Fish Club for Police Department Computer – MOTION 12S2-13-99 WAS MADE BY RICHARD UPTON AND SECONDED BY DEAN SWANSON TO ACCEPT WITH THANKS \$1500 FROM THE GAME AND FISH CLUB TO BE USED FOR THE POLICE DEPARTMENT COMPUTER. MOTION CARRIED WITH ALL AYES.

11. Year-end fund transfers – A memo dated December 28, 1999 from City Administrator Swenson recommended approval on eleven fund transfers between the Capital Improvement Fund and the General Fund. MOTION 12S2-14-99 WAS MADE BY CHUCK MILLER AND SECONDED BY RICHARD UPTON TO APPROVE THE RECOMMENDED FUND TRANSFERS AS SUBMITTED. MOTION CARRIED WITH ALL AYES.

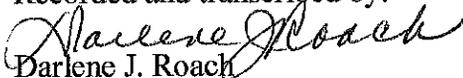
12. Proposed Purchase Agreement on Public Works Building – A purchase agreement has been received for the purchase of the Srock Property owned by the City. Fourteen acres to the north of this property has been sold and the buyer has offered \$65,000 for the City property. The property has been up for sale for over a year with no offers having been made. City Administrator Swenson recommended that a Committee be established to work with the potential buyer and his realtor on behalf of the City. It was the consensus of the Council that Mayor Swanson, Councilmember Swanson, City Attorney Sandelin and City Administrator Swenson meet with the potential buyer. MOTION 12S2-15-99 WAS MADE BY RICHARD UPTON AND SECONDED BY CHUCK MILLER TO APPOINT THE MAYOR, COUNCILMEMBER SWANSON, CITY ADMINISTRATOR SWENSON AND CITY ATTORNEY SANDELIN TO THE COMMITTEE. MOTION CARRIED WITH ALL AYES.

13. Other Business – None

14. Public Forum – None

MOTION 12S2-16-99 WAS MADE BY CHUCK MILLER AND SECONDED BY RICHARD UPTON TO ADJOURN THIS SPECIAL COUNCIL MEETING AT 10:45 A.M. MOTION CARRIED WITH ALL AYES.

Recorded and transcribed by:

  
Darlene J. Roach  
Deputy Clerk

BILLS FOR PAYMENT				
30-Dec-99				
VENDOR		DEPT	CHECK #	AMOUNT
The Office Shop - office supplies		Gov/Adm/PD		\$86.77
The Office Shop - office supplies		Adm		\$28.65
Simonson Lumber - screw hooks,bit,tap cube		PW		\$17.92
Crosslake Communications - phone/internet/fax		All		\$764.27
Uniforms Unlimited - sweater		PD		\$53.49
Crow Wing Coop - electric		PW		\$16.22
Crow Wing Coop - electric		Gov't		\$315.00
Crow Wing Coop - electric		Park	Warm Hse	\$21.33
Crow Wing Coop - electric		Cemetery		\$128.49
Crow Wing Coop - electric		PW	St Lights	\$48.87
Crow Wing Coop - electric		Park		\$279.73
Crow Wing Coop - electric		PW	Warehse	\$52.00
Viking Coca Cola - pop		Park		\$153.90
Chemsearch - scoot, flash aerosol		Park		\$291.50
Dave Markgraf - travel expenses		P&Z		\$71.48
Elan Financial - Holiday Inn expenses		P&Z		\$66.85
Fyle Honey Wagon - pump septic systems		PW/Gov't/Park		\$495.00
Reed's Market - cleaning supplies/coffee		Gov't		\$50.50
Echo Publishing - public hearing notice		EDA		\$12.50
Pequot Auto Parts - filters		PW		\$35.74
Napa Auto Parts - ratchets		PW		\$25.65
Northwood Turf & power - cable		PW		\$15.53
Westburne Supply - bubbler assy		PW		\$24.44
The Office Shop - office supplies		Adm		\$47.10
The Office Shop - file cabinet		Council		\$179.99
Viking Coc Cola - pop		Gov't		\$40.47
Crow Wing County Recorder - filing		P&Z		\$78.00
Whitefish Auto - replace 2 tires	Rotate	PD		\$26.00
Business Forms & Acctg - W2's		Adm		\$96.85
The Office Shop - supplies		Adm/Gov't		\$140.51
The Office Shop - forks		Gov't		\$2.98
Reed's Market - cake for Coulter		P&Z		\$24.99
Ace Hardware - extension cord		PW		\$27.65
MN Human Resource - professional svcs		P&Z		\$4,507.78
Andy Anderson - travel expenses		P&Z		\$75.00
Dean Brodin - travel expenses		P&Z		\$75.00
Randy Godeke - travel expenses		P&Z		\$50.00
Jim Trautman - travel expenses		P&Z		\$25.00
Jack Webster - travel expenses		P&Z		\$50.00
Nancy Koch - travel expenses		P&Z		\$50.00
Top Health - employee brochures		Adm/Telco		\$108.16
IKON - canon staples		Adm/P&Z		\$83.83
Carol Roquette - sewing on police jackets		PD		\$40.00
Brainerd Glass - door closure		Gov't		\$95.85
North EMS Education - EMT refresher	D. Hend	FD		\$200.00
The Office Shop - fabric ribbon		Adm		\$28.76

Computer 1 - battery charger for digital camera		P&Z		\$57.19
Ace Hardware - nuts bolts, washers for signs		PD		\$1.99
Don Henderson - travel expenses		FD		\$71.30
Don Henderson - travel expenses		FD		\$14.26
Mezzenga - throttle control		FD		\$3.17
Doyle Equipment - tiger boom mower, flail		PW		\$20,128.50
Crosslake Comm - Reimburse Social Sec books		All		\$17.45
Office Max - office supplies		Park		\$109.28
Crow Wing Cty Recorder - record cup's/variances		P&Z		\$312.00
Cimarron Printing - newsletter printing		Adm		\$144.00
				\$29,968.89