

**REGULAR COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, OCTOBER 8, 2018
7:00 P.M. – CITY HALL**

The Crosslake City Council met in the Council Chambers of City Hall on Monday, October 8, 2018. The following Council Members were present: Mayor Patty Norgaard, Dave Nevin, Dave Schrupp, Brad Nelson, and Gary Heacox. Also present were City Administrator Mike Lyonais, City Clerk Char Nelson, Police Chief Erik Lee, Public Works Director Ted Strand, Park Director TJ Graumann, Land Service Specialist Jon Kolstad, City Attorney Alex Kuhn, City Engineer Mike Rardin, Northland Press Reporter Bill Monroe, and Echo Publishing Reporters Dan Determan and Erin Bormett. Council Candidates Jon Andrews, Clay Porter and Aaron Herzog were also in attendance. There were approximately twenty people in the audience.

A. CALL TO ORDER – Mayor Norgaard called the Regular Council Meeting to order at 7:00 P.M. The Pledge of Allegiance was recited. MOTION 10R-01-18 WAS MADE BY DAVE NEVIN AND SECONDED BY DAVE SCHRUPP TO APPROVE THE ADDITIONS TO THE AGENDA. MOTION CARRIED WITH ALL AYES.

B. CONSENT CALENDAR – MOTION 10R-02-18 WAS MADE BY DAVE SCHRUPP AND SECONDED BY DAVE NEVIN TO APPROVE THE FOLLOWING ITEMS LISTED ON THE CONSENT CALENDAR:

1. Regular Council Meeting Minutes of September 10, 2018
2. Special Council Meeting Minutes of September 21, 2018
3. City – Month End Revenue Report dated September 2018
4. City – Month End Expenditures Report dated September 2018
5. September 2018 Budget to Actual Analysis
6. Police Report for Crosslake – September 2018
7. Police Report for Mission Township – September 2018
8. Fire Department Report – September 2018
9. North Ambulance Run Report – August 2018
10. Planning and Zoning Monthly Statistics
11. Planning and Zoning Commission Meeting Minutes of August 24, 2018
12. Public Works Meeting Minutes of September 5, 2018
13. Pay Request #13 from Eagle Construction for the WWTF Improvements in the Amount of \$108,832.00
14. Final Pay Request from Anderson Brothers for 2018 Street Improvement Project in the Amount of \$18,085.52
15. EDA Meeting Minutes of September 6, 2018
16. Crosslake Park/Library Commission Minutes of August 22, 2018
17. Crosslake Roll-Off Recycling Report for September 2018
18. Waste Partners Recycling Report for August 2018
19. Resolution No. 18-27 for the Appointment of Election Judges to Serve for the General Election to be Held November 6, 2018
20. Request for Refund of Fee for Withdrawn Variance Application
21. Prosecution Contract Between City of Crosslake and Crow Wing County
22. Resolution No. 18-28 Accepting Donations

23. Bills for Approval in the Amount of \$116,617.08
 24. Resolution Regarding Unpaid Sewer Charges
 25. Additional Bills for Approval in the Amount of \$10,926.09
- MOTION CARRIED WITH ALL AYES.

The Mayor announced that a public hearing is set for 7:15 P.M. and that the Council would continue with the agenda until that time.

D. CRITICAL ISSUES

1. Dave Nevin reported that the Council directed him to ask Hy-Tec Construction to inspect the old school buildings next door to see if they could be reformed into police or fire department. Craig Feierabend of Hy-Tec Construction reported to the Council that the buildings on the adjacent property are in good condition, inside and out. He stated that the workmanship was very professional and that there was no sign of water damage. Mr. Feierabend stated that garage doors could easily be added.
2. MOTION 10R-03-18 WAS MADE BY GARY HEACOX AND SECONDED BY DAVE SCHRUPP TO ALLOW THE ALTERATION OF THE CITY LOGO FOR NEW PICKLEBALL COURTS AT COMMUNITY CENTER. MOTION CARRIED WITH ALL AYES.

- E. PUBLIC FORUM** – Pat Netko of 36084 County Road 66 reported that she attended the special meeting at 4:00 and would like more discussion about the needs of Fire and Police Departments. Ms. Netko stated that the public needs to be aware of the problems and the potential cost.

- F. MAYOR'S REPORT** – None.

G. CITY ADMINISTRATOR'S REPORT

1. MOTION 10R-04-18 WAS MADE BY GARY HEACOX AND SECONDED BY DAVE SCHRUPP TO ADOPT RESOLUTION NO. 18-30 APPROVING THE ISSUANCE OF UP TO \$690,000 G.O. STREET RECONSTRUCTION BONDS, SERIES 2018A SUBJECT TO THE APPROVAL OF THE MAYOR AND CITY ADMINISTRATOR/TREASURER AND RATIFICATION BY THE CITY COUNCIL. MOTION CARRIED WITH ALL AYES.
2. Mike Lyonais reported that he has received letters from Teamsters and AFSCME of intent to negotiate. Current contracts with the unions expire December 31, 2018. Brad Nelson and Gary Heacox volunteered to be on the negotiating committee.

C. PUBLIC HEARING – 7:15 P.M. – ROW VACATION REQUEST ON LONE PINE BEACH

1. The Mayor called the public hearing to order at 7:15 P.M. Attorney Alex Kuhn reviewed the application and survey from John Schultz for Vacation of Right of Way at 11874 Manhattan Point Blvd, noting that Mr. Schultz would exchange the same amount of land to be vacated, to the east of existing lot. The current right of way runs through the middle of his property. The land to the east is in better condition and would allow easier access to the lake. Applicant John Schultz addressed the Council and gave a brief history of the

property, going back to the 1930's. Dave Schrupp noted that both the Park Commission and Public Works Commission recommended approval of the request. There were no comments from the public. MOTION 10R-05-18 WAS MADE BY DAVE NEVIN AND SECONDED BY BRAD NELSON TO APPROVE RESOLUTION NO. 18-29 VACATING PROPERTY OF LONE PINE BEACH. MOTION CARRIED WITH ALL AYES.

H. COMMISSION REPORTS

1. PLANNING AND ZONING

- a. Jon Kolstad gave a brief summary of the proposed changes to the Land Use Ordinance, noting that most of them were directed by FEMA. MOTION 10R-06-18 WAS MADE BY DAVE SCHRUPP AND SECONDED BY GARY HEACOX TO APPROVE ORDINANCE NO. 354 LAND USE CHAPTER 26, SECTIONS 26-281 THROUGH 26-1177 AS PRESENTED AND TO PUBLISH ORDINANCE IN SUMMARY FORM IN OFFICIAL NEWSPAPERS. MOTION CARRIED WITH ALL AYES.

2. PARK AND RECREATION/LIBRARY

- a. Park Director TJ Graumann reported that staff is building a dirt hill to be used in the winter for sledding. Public Works helped move fill to the site of the new pickleball courts. The fill will settle over the winter and be ready for concrete next summer. Mr. Graumann reported that the Park and Library Foundation (PAL) mailed a survey card to the community which asked the opinion of what amenities the city would like to have at the Community Center. Mr. Graumann noted that he did not see the final version of the survey and would direct citizens' concerns to the PAL Foundation members.

3. PUBLIC WORKS/CEMETERY/SEWER

- a. Ted Strand reported that he attended a conference regarding new standards coming from the State and Federal governments regarding wastewater treatment services. Crosslake has been targeted as one of 100 cities in the state to be monitored. Ted Strand stated that Minnesota Environmental Science and Economic Review Board (MESERB) is offering services to cities to help comply with the new regulations and protect cities from costly fines. Mr. Strand asked that the Council approve membership into this organization at a cost of approximately \$435. MOTION 10R-07-18 WAS MADE BY DAVE NEVIN AND SECONDED BY BRAD NELSON TO DIRECT TED STRAND TO BRING MEMBERSHIP RESOLUTION TO THE NEXT COUNCIL MEETING FOR APPROVAL. MOTION CARRIED WITH ALL AYES.
- b. MOTION 10R-08-18 WAS MADE BY PATTY NORGAARD AND SECONDED BY GARY HEACOX TO DIRECT CITY ATTORNEY AND MIKE LYONAI TO NEGOTIATE PURCHASE OF LAND AT 35205 RIVERWOOD TRAIL AND TO BRING TO COUNCIL FOR FINAL APPROVAL. MOTION CARRIED WITH ALL AYES.

- c. Ted Strand reported that the cost to install the used generator from the sewer plant at the Community Center is approximately \$35,000. Mr. Strand will research the cost of a new generator and the approximate value of the used one.
- d. Ted Strand reported that the salt/sand building that started to lean last year has begun to move back into place. Mr. Strand suggested that the Council wait and see what happens before deciding to repair the building. It was the consensus of the Council to take no action at this time.
- e. Ted Strand gave a brief update on the sewer project and invited anyone interested to visit the upgraded plant.

Gary Heacox asked that the Public Works Commission complete an assessment policy for the November Council meeting.

4. PERSONNEL

- a. Mike Lyonais presented a job description for the position of Manager of Parks, Recreation and Library. The person in this position would be in charge of part-time employees and volunteers and would spend time in both the Library and Park. A part-time library worker could be hired in the future if the workload requires. This supervisory position would be outside of the union. TJ Graumann met with the Pequot Lakes Library staff to compare staffing needs. Mr. Graumann will review library usage to determine the best hours of operation. Mr. Graumann told the Council that it will be beneficial to have a supervisor in the building when he is absent. MOTION 10R-09-18 WAS MADE BY DAVE SCHRUPP AND SECONDED BY PATTY NORGAARD TO APPROVE THE JOB DESCRIPTION FOR MANAGER OF PARKS, RECREATION AND LIBRARY, TO DIRECT STAFF TO BEGIN THE RECRUITMENT PROCESS AND TO APPROVE THE SALARY RANGE OF \$41,000 TO \$52,000. MOTION CARRIED WITH ALL AYES.

I. PUBLIC FORUM – None.

J. CITY ATTORNEY REPORT – None.

K. OLD BUSINESS – None.

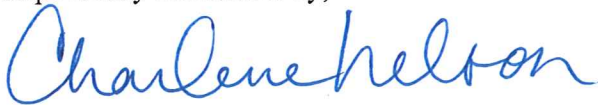
L. NEW BUSINESS – Dave Nevin stated that he was in favor of purchasing the property next to City Hall and suggested that it could be used to temporarily house staff while City Hall was being reconstructed. Mr. Nevin asked the Mayor when she first learned about the sale of the property and why she didn't bring it to the Council at that time. A MOTION WAS MADE BY DAVE NEVIN TO PURCHASE THE PROPERTY NEXT TO CITY HALL FOR THE ASKING PRICE OF \$900,000. The motion died for lack of a second. Gary Heacox stated that he would not pay more than \$750,000 for the property.

Owner of the property, Paul Hiniker, apologized to the Council for the confusion of when the property became available and said he understood that the Council would need more time to make such a big decision. Mayor Norgaard stated that the Council could continue the

discussion at the budget meeting on October 22nd. Dave Schrupp suggested that the public tour City Hall and the Fire Department to see the problems and challenges. Gary Heacox stated that he would like to see how bonding for the project would affect tax payers. Brad Nelson stated that only the land next door has value to the City, not the buildings. BJ Berglund thanked the Council for their consideration and asked if the current City Hall site had enough room for the proposed City Hall. Richard Eide of 38083 County Road 66 stated that it's necessary for the Council to get the public's input on the matter.

M. ADJOURN – MOTION 10R-10-18 WAS MADE BY DAVE NEVIN AND SECONDED BY DAVE SCHRUPP TO ADJOURN THE MEETING AT 8:12 P.M. MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,



Charlene Nelson
City Clerk
City Clerk/Minutes/10-8-18

RESOLUTION 18-27

CITY OF CROSSLAKE
COUNTY OF CROW WING
STATE OF MINNESOTA

FOR THE APPOINTMENT
OF ELECTION JUDGES TO SERVE FOR THE GENERAL ELECTION TO
BE HELD NOVEMBER 6, 2018

WHEREAS, the City of Crosslake does hereby resolve to appoint election judges for the 2018 General Election to be held on the 6th day of November, 2018 in the City of Crosslake in Precinct 1 and Precinct 2.


AND WHEREAS, the City of Crosslake does hereby appoint persons to serve as election judges as on file in the Clerk's Office according to Minnesota State Statute 204B.19:

BE IT RESOLVED, that the City Council of the City of Crosslake, Minnesota go on record as appointing Election Judges as on file in the Clerk's office to handle the 2018 General Election. This approval was acted on at the Regular Council Meeting held on October 8, 2018.

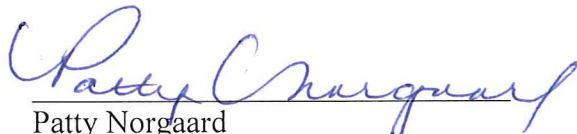
COUNCIL VOTING AYE - 5

COUNCIL VOTING NAY - 0

ATTEST:



Michael R. Lyonais
City Administrator



Patty Norgaard
Mayor

City of Crosslake

RESOLUTION 18-28

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
Park & Library Foundation	\$132.00	Friday Bridge

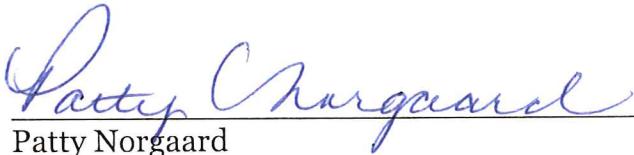
; and

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 8th day of October, 2018.



Patty Norgaard
Mayor

ATTEST:



Michael R. Lyons
City Administrator
(SEAL)

BILLS FOR APPROVAL
October 8, 2018

VENDORS	DEPT		AMOUNT
Ace Hardware, rings	Park		4.59
Ace Hardware, angle attachments, tape measure	PW		148.95
Ace Hardware, buckets, phones	PW		59.96
Ace Hardware, markers, hardware	Sewer		40.57
Ace Hardware, wasp spray	Park		3.99
Ace Hardware, soccer supplies	Park		8.38
Ace Hardware, drill bits	PW		30.63
Ace Hardware, casters	Park		17.18
Ace Hardware, bulb	Park		12.99
Ace Hardware, crimp	PW		25.99
Ace Hardware, crack sealer	Park		13.98
Ace Hardware, hardware	Park		1.14
Ace Hardware, drill bits	Park		6.69
Ace Hardware, salt softener	PW		345.87
Ace Hardware, antifreeze, batteries	Park		34.99
Ace Hardware, filter, fuel line	Sewer		12.16
Ace Hardware, hardware	PW		33.94
Ace Hardware, gloves, hardware	PW		84.28
Ace Hardware, hardware	Park		44.36
Ace Hardware, marking spray	PW		15.18
Ace Hardware, bulb	Park		9.99
Ace Hardware, paint and supplies	Fire		33.40
Amanda Berczyk, zumba refund	Park		48.00
American Door Works, door repair	PW		298.20
Anderson Cleaners, tailoring	Police		84.14
AW Research, water testing	Sewer		295.20
Birchdale Fire & Security, fire extinguishers	Fire		279.80
Birchdale Fire & Security, 4th quarter monitoring	PW		105.00
Blue Cross Blue Shield, health insurance	ALL		22,971.50
Bolton & Menk, city wide sewer study	Sewer		575.00
Bolton & Menk, moonlite bay sewer extension	Sewer		2,441.50
Breen & Person, legal fees	ALL		525.00
Brock White, straw	Park		64.29
Char Nelson, reimburse mileage	Election	pd 9-17	28.34
Char Nelson, reimb urse for pop and water	Gov't	pd 9-17	44.53
Cheyenne Stoudt, zumba refund	Park		48.00
City of Crosslake, sewer utilities	PW/Gov't		96.00
Clean Team, october cleaning	PW/Gov't		1,082.50
Council #65, union dues	Gov't		385.00
Crosslake Communications, phone, fax, cable, internet	ALL		1,883.77
Crow Wing County, trail permit	Park		25.00
Crow Wing County, phone factor reimbursement	Police		321.72
Crow Wing County Highway Dept, culvert, band, apron	PW		430.33
Crow Wing County Recorder, filing fees	PZ		92.00
Crow Wing Power, electric services	ALL	pd 9-17	7,114.14

Crow Wing SWCD, turf workshop	Park		45.00
Crysteel Truck Equipment, bracket, sander	PW		123.30
CTC I.T., september 2018 i.t. services	ALL		900.00
Culligan, cooler rental and water	PW/Gov't		89.00
David Drown Associates, continuing disclosure reporting	Gov't		750.00
Delta Dental, dental insurance	ALL		1,795.85
Diamond Industrial Cleaning Equipment, pressuer washer repair	PW		188.88
East Side Oil, filter recycling	Gov't		45.00
Essentia, dot physicals	Fire		316.00
Fastenal, hardware	PW		105.62
Fastenal, sock absorbers	PW		121.01
Fastenal, safety vests	PW		49.96
Fastenal, paper towels safety vest	PW		112.23
Fire Instruction & Rescue, hazmat scenarios	Fire	pd 9-17	650.00
Fire Instruction & Rescue, lp emergencies	Fire	pd 9-27	750.00
Fire Instruction & Rescue, emr refresher	Fire		600.00
Fortis, disability	ALL		707.11
Forum Commications. Meeting notice of 9/28	PZ		61.63
Galls, uniform	Police		98.99
Galls, uniform	Police		197.98
Grand Forks Fire Equipment, boots	Fire		790.57
Grand Forks Fire Equipment, atv skid unit	Fire		8,025.00
Granite Electronics, radios	Fire		2,340.00
Guardian Pest Solutions, pest control	ALL		77.60
Hawkins, chemicals	Sewer		1,796.66
Holiday, fuel	PW		62.73
Holiday, fuel	PW		105.59
Holiday, fuel	Park		26.35
Holiday, fuel	Park		20.94
Holiday, fuel	Police		26.50
Holiday, fuel	Police		22.87
Holiday, fuel	Police		18.89
Holiday, fuel	Police		25.52
Holiday, fuel	Police		20.61
Holiday, fuel	Park		176.42
Holiday, fuel	Police		23.00
Holiday, fuel	Police		15.70
Holiday, fuel	Police		26.00
Holiday, fuel	Police		23.00
Holiday, fuel	Police		20.60
Jill Anderson, zumba refund	Park		48.00
Joe Chase, reimburse uniform expense	PW	pd 9-27	119.97
Johnson, Killen, Seiler, labor attorney fees	Gov't		150.50
Keeprs, uniform	Police		99.98
Lakes Area Rental, dolly	Park		16.00
Life Fitness, weight room equipment	Park		16,623.07
Linda Bourgeois, reimburse for vacuum repairs	Park		87.53
Marco, copier lease	Park		237.99

Mastercard, Amazon, adapter	PZ		18.31
Mastercard, Costco, coffee, cups, utensils	Gov't		100.08
Mastercard, Dell, laptop	PZ		1,515.94
Mastercard, Dell, adapter	PZ	pd 9-24	17.81
Mastercard, Fleet Farm, uniform	PW	pd 9-27	254.98
Mastercard, Holiday Inn, lodging	Fire		552.32
Mastercard, National Mailboxes, book return box	Library		1,227.30
Mastercard, Office Max, office supplies	Park		43.43
Mastercard, Office Max, mouse, calendars	Park		68.98
Mastercard, Oriental Trading, halloween supplies	Park		246.22
Mastercard, Paypal, gauge	Fire	pd 9-27	165.00
Mastercard, Radco, tailgate device, tool box accessories	PW	pd 9-27	99.90
Mastercard, Reeds, house burn	Fire	pd 9-27	89.27
Mastercard, Valvoline, oil change	PW	pd 9-27	121.97
Mastercard, Walmart, automatic mop	Park		159.99
Mastercard, Walmart, muscle builder, plyo box set	Park		233.87
Metro Sales, copier maintenance and color copies	PZ/Admin		520.22
Meyer Midwest, cutting edges	Park		404.10
Midwest Machinery, television camera	PW		530.99
Mike Lyonais, petty cash	Park	pd 9-17	63.35
Mills, liner package	PW		120.00
MN Life, life insurance	ALL		242.40
Moonlite Square, fuel	Fire		246.90
MR Sign, e911 addresses and street name signs	PW		175.32
MR Sign, traffic signs	PW		531.66
MR Sign, address number sign	PW		27.72
Myra Nelson, zumba refund	Park		48.00
Napa, battery	PW		91.25
Napa, air filter	PW		18.87
Napa, battery	PW		99.27
NCPERS-Life Insurance	ALL		112.00
NLES, soccer uniforms	Park		476.00
North Memorial Ambulance, september subsidy	Gov't		1,100.00
North Memorial Ambulance, stand by for live burn	Fire		635.25
Northland Press, meeting notice of 9/28	PZ		212.50
Northland Press, book sale ad	Library		35.64
Planning and Zoning Commissioners, 3rd quarter meetings	PZ		1,015.00
Premier Auto, battery	Police		282.78
Reeds Market, pop, water	Gov't		15.99
Seaberg Solar Salt, battery	PW		64.99
Simonson Lumber, treated lumber	PW		180.00
Sourcewell, comp plan services	Gov't		400.00
Ted Strand, reimburse for uniform expense	Sewer		95.12
Teamsters, union dues	Police	pd 10-1	194.00
The Office Shop, minute paper	Admin		209.97
The Office Shop, office supplies	Park		135.39
TJ Graumann, reimburse mileage	Park	pd 9-17	25.62

TJ Graumann, reimburse mileage	Park		13.08
TJ Graumann, reimburse mileage	Park		5.45
TJ Graumann, uniform reimbursement	Park		74.97
Trimark, dishwahr, refrigerator	Park		5,911.52
Ultimate Safety Concepts, helmets, gloves	Fire		1,081.08
US Bank, copier lease	ALL	pd 9-17	156.00
Verizon, m2m charges	Police	pd 9-24	45.34
Verizon, air card and ipad charges	ALL	pd 10-1	333.33
Verizon, cell phone charges	ALL		354.46
Waste Partners, trash removal	ALL		250.15
Wendel, space needs study	Gov't		8,896.88
WSN, 2018 street improvements	PW		387.50
Xcel Energy, gas utilities	ALL		275.64
Ziegler, tracks for skid steer	PW		6,642.69
TOTAL			116,617.08

RESOLUTION NO. 18-31

CITY OF CROSSLAKE
COUNTY OF CROW WING
STATE OF MINNESOTA

RESOLUTION REGARDING UNPAID SEWER CHARGES

WHEREAS, Minnesota Statute Section 444.075 subd. 3 provides that municipalities may make the charges for connection to sewer facilities and the use charges for such sewer facilities a charge against the owner, lessee, occupant of the property, and may provide a covenant for certifying unpaid charges to the County Auditor with taxes against the property served for collection as other taxes are collected; and

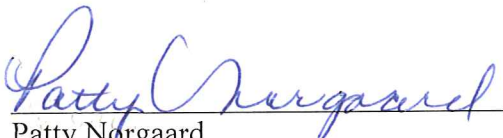
WHEREAS, the City of Crosslake City Code, Chapter 50 Section 50-624 provides that each and every sewer service charge levied by and pursuant to this Chapter is hereby made a lien upon the lot or premises served, and all such charges which are on May 15th or October 15th of each year past due and delinquent, shall be certified to the County Auditor as taxes or assessments on the real estate; and

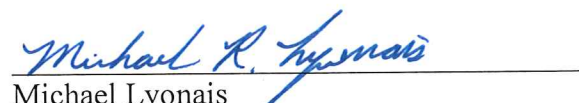
WHEREAS, as of October 15, 2018, the following sewer charges were past due and delinquent:

<u>TAX PAYER NAME</u>	<u>REAL ESTATE CODE</u>	<u>AMOUNT</u>
Two Paul Enterprises LLC	146040040020009	412.36
William Johnson	14607000004C009	618.60
		Total \$1,030.96

THEREFORE, BE IT RESOLVED that the City of Crosslake City Council hereby certifies as delinquent the following sewer service charges as of October 15, 2018, as taxes or assessments on the real estate identified above:

Adopted by the Crosslake City Council this 8th day of October 2018.


Patty Norgaard
Mayor


Michael Lyonais
City Administrator

ADDITIONAL BILLS FOR APPROVAL
October 8, 2018

VENDORS	DEPT		AMOUNT
Banyon Data Systems, payroll email notification	Admin		495.00
Crow Wing Power, electric service	ALL		9,000.00
Fastenal, paper towels	PW		48.34
Guardian Pest Solutions, pest control	ALL		77.60
Mastercard, Franklin Sports, picklesballs	Park		79.97
Mastercard, travel expenses	Police		571.01
Napa, lamp	Police		8.13
Napa, headlight	Police		4.44
Premier Auto, install headlight connector	Police		45.00
Premier Auto, oil change	Police		33.34
Ultimate Safety Concepts, sensor modules, calibration	Fire		563.26
TOTAL			10,926.09

EXTRACT OF MINUTES OF A MEETING
OF THE CITY COUNCIL OF THE
CITY OF CROSSLAKE, MINNESOTA

HELD: October 8, 2018

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Crosslake, State of Minnesota, was duly held on Monday, October 8, 2018, at 6:30 p.m.

The following Council members were present: Patty Norgaard, Dave Schrupp, Gary Heacox, Brad Nelson and Dave Nevin

and the following were absent: None.

Council member HEACOX introduced the following resolution and moved its adoption:

RESOLUTION NO. 18-30

**RESOLUTION APPROVING THE ISSUANCE OF UP TO
\$690,000 G.O. STREET RECONSTRUCTION BONDS, SERIES 2018A SUBJECT
TO THE APPROVAL OF THE MAYOR AND CITY ADMINISTRATOR/TREASURER
AND RATIFICATION BY THE CITY COUNCIL**

BE IT RESOLVED by the City Council of the City of Crosslake, State of Minnesota (herein, the "City"), as follows:

1. The City Council hereby finds and declares that it is necessary and expedient for the City to sell and issue its fully registered General Obligation Street Reconstruction Bonds in the total aggregate principal amount of not to exceed \$690,000 (herein, the "Bonds"). The proceeds of the Bonds will be used to finance the 2018 Street Reconstruction Projects as outlined in the City's Street Reconstruction Plan adopted on June 13, 2016.
2. The City Council desires to proceed with the sale of the Bonds by direct negotiation and hereby authorizes David Drown Associates, Inc. (herein, "DDA") to negotiate on behalf of the City.
3. The Mayor and the City Administrator/Treasurer are hereby authorized to approve the sale of the Bonds and to execute a bond purchase agreement for the purchase of the Bonds.
4. Upon approval of the sale of the Bonds by the Mayor and the City Administrator/Treasurer, the City Council will take action at their next regularly scheduled meeting thereafter to adopt the necessary approving resolution(s) as prepared by the City's bond counsel.

5. DDA is authorized to prepare an Official Statement related to the sale of the Bonds.
6. If the Mayor and City Administrator/Treasurer have not approved the sale of the bonds and executed the related bond purchase agreement by December 31, 2018, this resolution shall expire.

The motion for the adoption of the foregoing resolution was duly seconded by Member SCHRUPP, and upon vote being taken thereon, the following in favor thereof: Patty Norgaard, Dave Schrupp, Gary Heacox, Bread Nelson, and Dave Nevin

and the following voted against the same: None.

Whereupon said resolution was declared duly passed and adopted by the City Council of the City of Crosslake, Minnesota, this 8th day of October, 2018.



Mayor, Patty Norgaard

ATTEST:



City Clerk, Charlene Nelson

STATE OF MINNESOTA
COUNTY OF CROW WING
CITY OF CROSSLAKE

I, the undersigned, being the duly qualified and acting City Administrator/Treasurer of the City of Crosslake, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to the issuance of the City's General Obligation Street Reconstruction Bonds, Series 2018A.

WITNESS my hand this 8 day of October, 2018.



Mike Lyonais
City Administrator/Treasurer

\$690,000
General Obligation Street Reconstruction Bonds, Series 2018A

Uses of Funds		
2018 Reconstruction Project Costs		672,000.00
Other		-
Total Project Costs		672,000.00
Discount	1.25%	8,625.00
Fiscal Fee (50% NJPA Reduction)		5,250
Bond Counsel		6,000
Pay/Escrow Agent		750
Misc. (50% NJPA Reduction)		1,250
Rating		-
Issuance Costs		13,250.00
Capitalized Interest		-
Accrued interest deposit to DS		-
Surplus		-
		<u>693,875.00</u>

Sources of Funds		
Bond Issue		690,000.00
Accrued Interest		-
Reoffering Premium		3,848.55
Cash (for rounding)		26.45
		<u>693,875.00</u>

Payment Schedule & Cashflow

Payment Schedule				
12-Month Period ending	Principal	Rate	Interest	PLUS 5%
11/1/2019	-		-	-
2/1/2018				
2/1/2019	75,000	3.00%	25,875	105,919
2/1/2020	80,000	3.00%	18,450	103,373
2/1/2021	85,000	3.00%	16,050	106,103
2/1/2022	85,000	3.00%	13,500	103,425
2/1/2023	90,000	3.00%	10,950	105,998
2/1/2024	90,000	3.00%	8,250	103,163
2/1/2025	90,000	3.00%	5,550	100,328
2/1/2026	95,000	3.00%	2,850	102,743
	<u>690,000</u>		<u>101,475</u>	<u>831,049</u>

Bond Details		
Council passes trigger resolution		-
Pricing Date		10/8/2018
Sales Resolution Date		10/8/2018
Dated Date		11/1/2018
Closing Date		11/1/2018
1st Interest Payment		8/1/2019
Proceeds spent by:		12/1/2018
	to Dated Date	
Purchase Price		685,223.55
Net Interest Cost		106,251.45
Net Effective Rate		3.0887%
Average Coupon		2.9499%
Average Life		4.98551
Call Option	@ par	2/1/2023
Purchaser		Negotiated Sale
Bond Counsel		Briggs & Morgan, Professional Association
Pay Agent		Northland Trust Services, Inc.
Tax Status		Tax Exempt, Bank Qualified
Continuing Disclosure		Full
Rebate		Small-issuer - less than \$5 million this year
Rating Agency		Unrated
Authority		M.S. 475

Pledged Revenues			Account Balances	
Collection Year	Tax Levies	Revs for Coverage	Surplus (deficit)	Account Balance
Deposit to Debt Service Fund>				
2016	-	-	-	(26)
2017	99,000	5,044	(1,875)	(1,901)
2018	99,000	4,923	550	(1,351)
2019	99,000	5,053	(2,050)	(3,401)
2020	99,000	4,925	500	(2,901)
2021	99,000	5,048	(1,950)	(4,851)
2022	99,000	4,913	750	(4,101)
2023	99,000	4,778	3,450	(651)
2024	99,000	4,893	1,150	499
	<u>792,000</u>	<u>39,574</u>	<u>525</u>	

RESOLUTION NO. 18-29

CITY OF CROSSLAKE
COUNTY OF CROW WING
STATE OF MINNESOTA

RESOLUTION VACATING PROPERTY

WHEREAS, due and proper published and posted and mailed notice of public hearing has been given by the City as required by law; and

WHEREAS, after a public hearing held on this date, the City Council finds that it is in the public interest to vacate the property as hereinafter described.

WHEREAS, that this vacation is being made on the condition that the City obtain fee title to the East 20 feet of Lot 14, Block 6, Manhattan Beach (a replat of Twin Beach)

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City of Crosslake, Minnesota, as follows:


That certain property described as follows is hereby vacated:

Lone Pine Beach, as dedicated on the plat of Manhattan Beach, a replat of Twin Beach, according to the recorded plat thereof, Crow Wing County, Minnesota.

Dated at Crosslake, Minnesota, this 8th day of October, 2018.

CITY OF CROSSLAKE, MINNESOTA

By


Patty Norgaard, Its Mayor

ATTEST:



Charlene Nelson, City Clerk