

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, AUGUST 27, 2018
4:00 P.M. – CITY HALL

The Council for the City of Crosslake met for a budget workshop Monday, August 27, 2018. The following Council Members were present: Mayor Patty Norgaard, Gary Heacox, Dave Schrupp, and Dave Nevin. Brad Nelson was absent. Also present were City Administrator Mike Lyonais, City Clerk Char Nelson, Public Works Director Ted Strand, Police Chief Erik Lee, Park Director TJ Graumann, Fire Chief Chip Lohmiller, Engineer Mike Rardin, Council Candidates Aaron Herzog and John Andrews. There were ten people in the audience.

The Mayor called the meeting to order at 4:00 P.M. MOTION 08S2-01-18 WAS MADE BY GARY HEACOX AND SECONDED BY DAVE SCHRUPP TO APPROVE THE BILLS FOR APPROVAL IN THE AMOUNT OF \$23,774.12. MOTION CARRIED WITH ALL AYES.

Mike Lyonais reviewed the timeline for certifying the levy.

Mayor Norgaard presented two letters of support Crow Wing Soil and Water Conservation District for obtaining grants for their projects within the City of Crosslake. MOTION 08S2-02-18 WAS MADE BY DAVE NEVIN AND SECONDED BY DAVE SCHRUPP TO APPROVE THE LETTER OF SUPPORT TO SWCD FOR OBTAINING GRANT FOR THE STORM WATER PROJECT AT THE INTERSECTION OF COUNTY ROAD 66 AND MANHATTAN POINT BOULEVARD. MOTION CARRIED WITH ALL AYES.

MOTION 08S2-03-18 WAS MADE BY DAVE SCHRUPP AND SECONDED BY GARY HEACOX TO APPROVE THE LETTER OF SUPPORT TO SWCD FOR OBTAINING GRANT FOR THE PINE RIVER FISH PASSAGE PROJECT AT THE ROCK DAM. MOTION CARRIED WITH ALL AYES.

Mike Lyonais reported that the health insurance rates for 2019 increased 5% and gave a brief recap of how rates are determined based on experience ratings. MOTION 08S2-04-18 WAS MADE BY PATTY NORGAARD AND SECONDED BY DAVE SCHRUPP TO APPROVE THE HEALTH INSURANCE RENEWAL WITH RESOURCE TRAINING & SOLUTIONS FOR 2019 WITH A 5% INCREASE OVER 2018. MOTION CARRIED WITH ALL AYES.

Mr. Lyonais reported that the Park Director is working on a job description for a Recreation and Library Administrative Assistant as a solution for filling the Library Coordinator position. Mr. Lyonais reported that Seth Wannebo recently passed his Class D wastewater operator exam. Employees normally obtain this licensure in 12 months. Mr. Wannebo obtained it within six months and Public Works Director Ted Strand asked that he be moved a step on the union wage scale. MOTION 08S2-05-18 WAS MADE BY DAVE NEVIN AND SECONDED BY GARY HEACOX TO MOVE SETH WANNEBO FROM STEP 8 (\$19.92/HR) TO STEP 9 (\$20.57/HR) OF AFSCME UNION CONTRACT EFFECTIVE WITH PAY PERIOD BEGINNING 9/2/18. MOTION CARRIED WITH ALL AYES.

Mr. Lyonais reviewed changes to the 2019 budget as recommended by the Council on August 20th. Mr. Lyonais provided examples of how a 1.13% tax rate increase would affect the tax due of homes and businesses. If a person owned a home with a taxable market value of \$250,000, the tax amount due would increase approximately \$30. A business with the same value would pay approximately \$54 more in taxes.

TJ Graumann reviewed his 2019 budget and proposed that the carpet replacement and playground chips replacement schedule for 2018 be extended to 2019 and that the purchase of a gator be moved 2019 to 2018. The current machine is falling apart. Mr. Graumann wants to install irrigation in the front of the Community Center and replace some fitness equipment. Mike Lyonais noted that funds for the fitness equipment have already been set aside from previous budgets. Mr. Graumann added that he is expecting a quote from Holden Electric to move and install a used generator from the sewer plant.

Chip Lohmiller reported that his 2019 budget includes a fire truck at an approximate cost of \$280,000. The fire department hopes to collect \$15,000 for the old truck.

Mike Lyonais reported that eight of the nine residents on Perkins Road are in favor of moving forward with the road project. Mr. Lyonais put a place holder of \$500,000 for the construction in the 2019 budget.

Pat Netko of the Connectivity Committee presented drawings of welcome and directional signs for the City of Crosslake. The MN Design Team recognized the lack of signage as an important issue that the City should address. MOTION 08S2-06-18 WAS MADE BY DAVE NEVIN AND SECONDED BY DAVE SCHRUPP TO ADD \$10,000 TO THE 2019 BUDGET FOR WELCOMING AND WAY FINDING SIGNS. MOTION CARRIED WITH ALL AYES.

Mike Lyonais reported that the next several budget years will have a funding gap of approximately \$500,000. The Council needs to make a policy decision to raise the levy, use reserves, delay identified projects, or issue debt to cover the gap.

Ted Strand reviewed the draft sewer extension to Moonlite Bay study. The estimated cost is \$1,280,500. A portion would be paid by the county and city with the majority of the cost being assessed to property owners along the extended system. A lengthy discussion ensued regarding the recommended Gravity Collection System, timeline, maintenance and assessments. MOTION 08S2-07-18 WAS MADE BY DAVE SCHRUPP AND SECONDED BY DAVE NEVIN TO DIRECT BOLTON & MENK TO PROVIDE A QUOTE FOR SURVEY, WETLAND AND GEOTECHNICAL SERVICES AND A QUOTE FOR THE ENTIRE PROPOSED PROJECT AT THE NEXT REGULAR MEETING OF 9/10/18. MOTION CARRIED WITH ALL AYES.

Ted Strand reported that the land adjacent to the sewer plant is for sale at a cost of \$125,000 and suggested the Council consider purchasing it for future growth.

Ted Strand reported that a symposium regarding new MPCA requirements for wastewater treatment plants would be held September 27th in Hutchinson and asked that a Council Member considering attending the meeting with him.

There being no further business at 5:37 P.M., the Mayor adjourned the meeting.

Respectfully Submitted,



Charlene Nelson
Administrative Assistant/City Clerk

BILLS FOR APPROVAL
August 27, 2018

VENDORS	DEPT		AMOUNT
American Water Works Assn, membership dues	Sewer		202.00
AW Research, water testing	Sewer		396.00
Baker and Taylor, books	Library		92.48
BCA, background check	Park	pd 8-22	15.00
Bolton & Menk, wwtp improvements	Sewer		1,713.27
Clean Team, september cleaning	ALL		1,082.50
Cross Tech Manufacturing, blades	PW		284.21
Crosslake Rolloff, recycling	Gov't		2,695.00
Fastenal, hardware	PW		9.91
Fire Instruction & Rescue, search and rescue	Fire		500.00
Git-er-dun Sewer Service, digester cleaning	Sewer		200.00
Guardian Pest Solutions, pest control	ALL		77.60
Holden Electric, add recepticle to water heater	ALL		519.00
Holden Electric, supply and install lights	Sewer		1,772.75
Holiday Station, fuel	ALL	pd 8-27	82.18
Lakes Heating & Cooling, a/c repair	Gov't		338.00
League of MN Cities, regional meeting	Council		45.00
Marco, copier lease	Park		237.99
Midwest Machinery, filter elements, oil filters, blades	Park		204.53
Motorola, radios	PW		7,831.50
Motorola, batteries	Police		399.00
North Ambulance, august subsidy	Gov't		1,100.00
Premier Auto, brake repair	Police		570.74
Sourcewell, comp plan services	Gov't		200.00
Springsted, final payment	Gov't		2,546.25
US Bank, copier lease	ALL		156.00
USA Bluebook, meter supplies	Sewer		464.69
Verizon, m2m charges	Police	pd 8-27	38.52
TOTAL			23,774.12