

**REGULAR COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, OCTOBER 9, 2017
7:00 P.M. – CITY HALL**

The Crosslake City Council met in the Council Chambers of City Hall on Monday, October 9, 2017. The following Council Members were present: Mayor Patty Norgaard, Dave Nevin, Gary Heacox, Dave Schrupp and Brad Nelson. Also present were City Administrator/Treasurer Mike Lyonais, City Clerk Char Nelson, Police Chief Erik Lee, Park Director Jon Henke, Public Works Director Ted Strand, Land Service Supervisor Chris Pence, Land Service Specialist Jon Kolstad, City Attorney Brad Person, City Engineer Mike Rardin, Dave Reese of WSN, Northland Press Reporter Bill Monroe, and Echo Publishing Reporter Theresa Bourke. There were approximately twelve 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-01-17 WAS MADE BY DAVE NEVIN AND SECONDED BY GARY HEACOX TO APPROVE THE ADDITIONS TO THE AGENDA. MOTION CARRIED WITH ALL AYES.

B. CONSENT CALENDAR – MOTION 10R-02-17 WAS MADE BY DAVE SCHRUPP AND SECONDED BY BRAD NELSON TO APPROVE THE FOLLOWING ITEMS LISTED ON THE CONSENT CALENDAR EXCLUDING ITEMS #13, 14, 17 AND 24 WHICH WERE REMOVED AT DAVE NEVIN'S REQUEST:

1. Budget Workshop Minutes of September 11, 2017
2. Regular Council Meeting Minutes of September 11, 2017
3. City – Month End Revenue Report dated September 2017
4. City – Month End Expenditures Report dated September 2017
5. September 2017 Budget to Actual Analysis
6. Pledged Collateral Report dated September 30, 2017
7. Police Report for Crosslake – September 2017
8. Police Report for Mission Township – September 2017
9. Fire Department Report – September 2017
10. North Memorial Ambulance Report – September 2017
11. Planning and Zoning Monthly Statistics
12. Planning and Zoning Commission Meeting Minutes of August 25, 2017
13. *Removed*
14. *Removed*
15. Pay Request No. 3 from DeChantel Excavating for 20107 Road Projects
16. Pay Request No. 1 from Redstone Construction for Dream Island Bridge
17. *Removed*
18. EDA Meeting Minutes of June 1, 2017
19. Crosslake Roll Off Recycling Report for September 2017
20. Waste Partners Recycling Report for August 2017
21. Resolution Regarding Unpaid Sewer Charges
22. Resolution No. 17-22 Accepting Donations
23. Memo dated October 5, 2017 from City Clerk Re: Relocation of Cemetery Lot
24. *Removed*

25. Memo dated October 9, 2017 from Personnel Committee Re: Recommendation of Staff Layoff
 26. Memo dated October 9, 2017 from City Administrator Re: Recommendation to Close Bank Account
 27. Additional Bills for Approval in the Amount of \$2,812.74
 28. Updated Resolution No. 17-23 Regarding Unpaid Sewer Charges
- MOTION CARRIED WITH ALL AYES.

Dave Nevin pulled item #13 Public Works Commission Meeting Minutes of September 5, 2017 and questioned whether the Council approved the proposal from WSN to complete the 2018 road projects. Mike Lyonais replied that the Council acted on that at their last regular meeting.

Dave Nevin pulled item #14 Proposal from Braun Intertec for Materials Testing Services for Dream Island Bridge and questioned if this was an additional cost for the project. Mike Lyonais replied that this is included in the estimated cost of the project.

Dave Nevin pulled item #17 Letter dated September 21, 2017 from Crow Wing County Re: CSAH 36 Reconstruction Scheduled for 2020 and questioned if the property owners will be notified. Mike Lyonais replied that this is a County project and that the County sent this letter to the affected property owners.

Dave Nevin pulled item #24 Bills for Approval and questioned the bill from Digital Horizons for a sound system at a cost of \$3,977.37. Char Nelson replied that Jon Henke changed the proposal for services from Digital Horizons and would speak to that during his report tonight.

C. CRITICAL ISSUES

1. Cindy Myogeto of the Chamber of Commerce addressed the Council to ask their opinion on whether the fireworks for the Fourth of July should be held on Saturday, June 30, 2018 or Saturday, July 7, 2018. It has been tradition to have the fireworks on the Saturday prior to the Fourth of July, however, the 4th of July Committee thought that they should be held closer to the actual holiday. MOTION 10R-03-17 WAS MADE BY DAVE NEVIN AND SECONDED BY DAVE SCHRUPP TO HOLD THE 2018 FIREWORKS DISPLAY ON SATURDAY, JULY 7. MOTION CARRIED WITH ALL AYES.

Cindy Myogeto reported that Crosslake Days was a success and that there were 32 chili entries, 50 business member specials and a new app for chili voting. Ms. Myogeto thanked Ted Strand and his crew for help with festivities.

2. Christine Davis of 13408 Rush Harbor Drive, representing the L.A.K.E. Foundation, reported that the Crosslake Community School construction at the intersection of County Road 66 and Swann Drive is underway and the fundraising campaign is still running.
3. Bill Monroe of 37313 County Road 66, representing the Crosslakers, gave an update on upcoming activities, meetings and accomplishments.
4. Tom Watson of 39195 Swanburg Court, Pine River MN, president of WAPOA, reported that the Enbridge Pipeline Public Hearing is scheduled for 10/25/17 at the Crosslake Community Center.

D. MAYOR'S REPORT – With consensus of the Council, the Mayor announced that a special meeting would be held on Monday, November 13th at 6:00 pm to hear presentation from NJPA and Region 5 on Comprehensive Plan update.

E. PUBLIC FORUM – None.

F. CITY ADMINISTRATOR'S REPORT

1. MOTION 10R-04-17 WAS MADE BY DAVE SCHRUPP AND SECONDED BY GARY HEACOX TO APPROVE RESOLUTION NO. 17-24 CALLING FOR A PUBLIC HEARING TO BE HELD ON MONDAY, NOVEMBER 13, 2017 AT 7:00 P.M., IN CITY HALL ON THE ISSUANCE OF EDUCATIONAL FACILITIES REVENUE NOTES, SERIES 2017 AND AUTHORIZING THE PUBLICATION OF A NOTICE OF HEARING FOR THE CROSSLAKE COMMUNITY SCHOOL PROJECT. MOTION CARRIED WITH ALL AYES.
2. MOTION 10R-05-17 WAS MADE BY GARY HEACOX AND SECONDED BY BRAD NELSON TO APPROVE THE LOCAL BRIDGE REPLACEMENT PROGRAM GRANT AGREEMENT BETWEEN MN DOT AND THE CITY OF CROSSLAKE FOR DREAM ISLAND BRIDGE. MOTION CARRIED WITH ALL AYES.
3. Mike Lyonais reported that he is working on the \$1M in funding for the sewer project and would bring a proposal to the next meeting.
4. Mike Lyonais asked that the Council review the draft Investment Policy that was included in the packet so that it can be approved at the Budget Workshop on 10/23/17.

G. COMMISSION REPORTS

1. PLANNING AND ZONING

- a. Chris Pence reviewed a letter from Crow Wing County dated September 14, 2017 regarding classification to “non-conservation” and future direct sale of a non-conforming tax forfeited tract. Parcel 120071101Y00009 is 0.27 acre in size on Anchor Point Road. It was forfeited on 4-26-1978 and has approximately 35’ water frontage on Island Lake. The adjacent owner to the Ease has a cabin encroachment and a direct sale to them would eliminate the encroachment issue. MOTION 10R-06-17 WAS MADE BY DAVE NEVIN AND SECONDED BY DAVE SCHRUPP TO CLASSIFY TRACT 120071101Y00009 TO A “NON-CONSERVATION” STATUS AND APPROVE DIRECT SALE TO ADJACENT LAND OWNER. MOTION CARRIED WITH ALL AYES.

Chris Pence reported that he has resigned from his position at the County effective November 3rd. He has taken a job with the State of Minnesota Soil and Water Conservation in Brainerd.

2. PARK & RECREATION/LIBRARY

- a. Jon Henke gave brief updates on Community Center activities including the Pequot Lakes Cross Country track meet, the annual Halloween party, the new Zumba class, Music of the Mississippi event, fall basketball, New to Medicare class, and Library book sale.

Jon Henke reported that he received quotes to update the sound systems in the gym and two meeting rooms. There are funds in the budget for this item. MOTION 10R-07-17 WAS MADE BY PATTY NORGAARD AND SECONDED BY DAVE SCHRUPP TO AWARD THE SOUND SYSTEM UPGRADE PROJECT AT THE COMMUNITY CENTER TO LOW BIDDER DIGITAL HORIZONS AT A COST OF \$16,783.01. MOTION CARRIED WITH ALL AYES.

3. PUBLIC WORKS/CEMETERY/SEWER

- a. The Council reviewed a Snow Plowing Policy that the Public Works Commission recommended that the Council approve. Ted Strand reported that there has been no written policy and the department has used "past practices" for guidance. MOTION 10R-08-17 WAS MADE BY DAVE SCHRUPP AND SECONDED BY DAVE NEVIN TO APPROVE THE CITY OF CROSSLAKE SNOW PLOWING POLICY. MOTION CARRIED WITH ALL AYES. Mayor Norgaard stated that the policy will be posted on the City's website.

Ted Strand gave a brief update on the 2017 Road Improvement projects and the Wastewater Treatment Facility upgrades.

H. CITY ATTORNEY – None.

I. PUBLIC FORUM – None

J. OLD BUSINESS – None.

K. NEW BUSINESS – None.

L. ADJOURN – MOTION 10R-09-17 WAS MADE BY DAVE NEVIN AND SECONDED BY GARY HEACOX TO ADJOURN THE MEETING AT 8:15 P.M. MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,



Charlene Nelson
City Clerk
City Clerk/Minutes/10-9-17

City of Crosslake

RESOLUTION 17-22

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
American Legion Post 500	\$3,000.00	Fire Department
American Legion Post 500	\$3,000.00	Police Department
PAL Foundation	\$132.00	Friday Bridge
	\$600.00	Benches
	\$230.44	Whitefish Warrior

; 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 9th day of October, 2017.



Patty Norgaard
Mayor

ATTEST:



Michael R. Lyonais
City Administrator
(SEAL)

RESOLUTION NO. 17-23

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

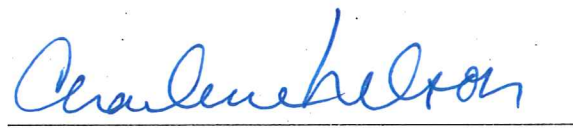
WHEREAS, as of October 15, 2017, the following sewer charges were past due and delinquent:

<u>TAX PAYER NAME</u>	<u>REAL ESTATE CODE</u>	<u>AMOUNT</u>
William Johnson	14607000004C009	\$ 247.50
	Total	\$ 247.50

THEREFORE, BE IT RESOLVED that the City of Crosslake City Council hereby certifies as delinquent the following sewer service charges as of October 15, 2017, as taxes or assessments on the real estate identified above:

Adopted by the Crosslake City Council this 9th day of October 2017.


Patty Norgaard
Mayor


Charlene Nelson
City Clerk

ADDITIONAL BILLS FOR APPROVAL
October 9, 2017

VENDORS	DEPT		AMOUNT
AW Research, water testing	Sewer		139.50
Antonio Donato, soccer game ref	Park		50.00
Breen & Person, legal fees	ALL		1,126.00
BSN Sports, youth vests	Park		110.76
Granite Electronics, batteries, belt clip, chargers	Fire		172.60
Jon Henke, reimburse mileage	Park		38.25
Lakes Printing, crosslaker brochures	MDT		267.10
Mastercard, BCA, dmt-g certification	Police		375.00
Mastercard, Costco, post its	PZ		26.40
Mastercard, Walmart, halloween supplies	Park		196.28
Moonlite Square, fuel, car wash	Fire		38.00
Patty Norgaard, travel expenses	Council		215.48
Premier Auto, oil change	Police		57.37
TOTAL			2,812.74

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

Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of Crosslake, Minnesota, was duly held in the City Hall in said City on Monday, October 9, 2017, commencing at 7:00 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

Member Dave Schrupp introduced the following resolution and moved its adoption:

RESOLUTION NO. 17-24

RESOLUTION CALLING FOR A PUBLIC HEARING ON
THE ISSUANCE OF EDUCATIONAL FACILITIES REVENUE NOTES, SERIES 2017 AND
AUTHORIZING THE PUBLICATION OF A NOTICE OF HEARING
(CROSSLAKE COMMUNITY SCHOOL PROJECT)

WHEREAS, Minnesota Statutes, Sections 469.152 through 469.165, relating to municipal industrial development (the "Act"), gives municipalities the power to issue revenue obligations for the purpose of promoting the welfare of the state by the active attraction and encouragement and development of economically sound industry and commerce to prevent so far as possible the emergence of blighted and marginal lands and areas of chronic unemployment; and

WHEREAS, the City of Crosslake, Minnesota (the "Issuer"), has received from Lakes Area Kids Enrichment Foundation, a Minnesota nonprofit corporation and 501(c)(3) organization (the "Borrower"), a proposal that the Issuer undertake a program to assist in financing a Project hereinafter described, through the issuance of a revenue note or obligation (in one or more series) (the "Note") pursuant to the Act; and

WHEREAS, before proceeding with consideration of the request of the Borrower it is necessary for the City to hold a public hearing on the proposal pursuant to Section 147(f) of the Internal Revenue Code and Section 469.154, Subdivision 4, of the Act:

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

1. A public hearing on the proposal of the Borrower will be held at the time and place set forth in the form of Notice of Public Hearing attached hereto as Exhibit A. The general nature of the Project and an estimate of the aggregate principal amount of revenue bonds or other obligations to be issued to finance the proposal are described in the Notice of Public Hearing.

2. The City Administrator of the Issuer is hereby authorized and directed to cause notice of the hearing to be given one publication in the official newspaper of the Issuer and a newspaper of general circulation available in the City of Crosslake, Minnesota (the "City") not less than 14 days nor more than 30 days prior to the date fixed for the hearing, substantially in the form of the attached Notice of Public Hearing.

3. Official Intent Declaration.

(a) The Borrower has determined to undertake the Project located in the City.

(b) Other than (i) expenditures to be paid or reimbursed from sources other than the Note, (ii) expenditures permitted to be reimbursed under prior Treasury Regulations pursuant to the transitional provision contained in Section 1.150-2(j)(2) of the regulations (the "Regulations"), (iii) expenditures constituting "preliminary expenditures" within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iv) expenditures in a "de minimus" amount (as defined in Section 1.150-2(f)(1) of the Regulations), the Borrower has represented to the Issuer that no expenditures for the Project for which the Borrower expects reimbursement from Note proceeds have been paid by the Borrower more than 60 days before the date of adoption of this resolution.

(c) The Borrower has represented to the Issuer that it reasonably expects to reimburse all or a portion of the expenditures made for costs of the Project out of the proceeds of debt to be issued by the Issuer at the request of and on behalf of the Borrower. All reimbursed expenditures shall be capital expenditures, costs of issuance of the Note, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Regulations.

The motion for the adoption of the foregoing resolution was duly seconded by member Gary Heacox, and after full discussion thereof and upon vote being taken thereon, the following voted in favor thereof: Patty Norgaard, Dave Schrupp, Gary Heacox, Brad Nelson and Dave Nevin

and the following voted against the same: None

whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTY OF CROW WING
CITY OF CROSSLAKE

I, the undersigned, being the duly qualified and acting City Administrator of the City of Crosslake, 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 calling for a public hearing on the Issuer's revenue bonds to finance the construction and equipping of a new public (charter) school that will leased to the Crosslake Community School by the Borrower.

WITNESS my hand this 9th day of October, 2017.



City Administrator

EXHIBIT A

NOTICE OF PUBLIC HEARING ON A PROPOSAL
FOR ISSUANCE OF EDUCATIONAL FACILITIES REVENUE NOTES, SERIES 2017
(CROSSLAKE COMMUNITY SCHOOL PROJECT)

Notice is hereby given that a public hearing shall be conducted by the City Council of the City of Crosslake (the "Issuer") on Monday, November 13, 2017 at 7:00 P.M. at the City Hall located at 37028 County Road 66, Crosslake, Minnesota, to consider the proposal of Lakes Area Kids Enrichment Foundation, a Minnesota nonprofit corporation (the "Borrower"), that the Issuer assist in the acquisition, construction, and equipping of an approximately 36,160 square-foot, grades Kindergarten through 12 public (charter) school facility that will be leased to the Crosslake Community School, a Minnesota nonprofit corporation (the "School"), by the Borrower, to be located on approximately 10 acres at 35808 County Road 66, in the City of Crosslake, Minnesota (the "Project"), and certain other costs related to the Project, by the issuance of a revenue note or other obligation in an amount not to exceed \$8,200,000 pursuant to Minnesota Statutes, Sections 469.152 to 469.165, as amended. The Project will be owned and operated by the Borrower and leased to and operated by the School.

The notes or other obligations, as and when issued, will not constitute a charge, lien or encumbrance upon any property of the Issuer, except the Project and the revenues to be derived from the Project. Such notes or obligations will not be a charge against the Issuer's general credit or taxing powers, but will be payable from sums to be paid by the Borrower pursuant to a revenue agreement.

A draft copy of the proposed application to the Commissioner of the Department of Employment and Economic Development, State of Minnesota, for approval of the Project, together with all attachments and exhibits thereto, is available for public inspection during normal business hours, Monday through Friday, at the City Hall in the City of Crosslake.

At the time and place fixed for the public hearing, the Issuer will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. In addition, interested persons may file written comments respecting the proposal with the City Administrator at or prior to the public hearing.

City of Crosslake, Minnesota

/s/ 
Mike Lyonais
City Administrator