

BUDGET WORKSHOP
CITY OF CROSSLAKE
MONDAY, AUGUST 21, 2017
3:00 P.M. – CITY HALL

The Council for the City of Crosslake met for a Budget Workshop on August 21, 2017. The following Council Members were present: Mayor Patty Norgaard, Gary Heacox, Brad Nelson and Dave Nevin. Also present were City Administrator/Treasurer Mike Lyonais, City Clerk Char Nelson, Public Works Director Ted Strand, Fire Chief Chip Lohmiller, Police Chief Erik Lee, Park Director Jon Henke, Northland Press Reporter Bill Monroe and Echo Publishing Reporter Theresa Rourke.

Mayor Norgaard called the meeting to order at 3:00 P.M. and turned the meeting over to Mike Lyonais. Mike Lyonais reviewed the changes that were made from the draft 8/8/17 budget proposal. The proposed budget presented at this meeting included a 5% increase from 2017.

Fire Chief Lohmiller requested that the hourly pay rate for firefighter training and fire calls be increased from \$10 to \$15. This is more in line with surrounding fire departments. Chief Lohmiller requested that the City's contribution to the Crosslake Firefighter Relief Association be increased from \$850 to \$1,000 per firefighter. There are currently 23 members of the Fire Department. Recruitment and retention of members is difficult. Both increases are reflected in the 5% budget increase. It was the consensus of the Council to approve these requests. Chief Lohmiller added that the proposed budget includes \$10,000 for the purchase of a 2003 grass rig, fully loaded with 38,000 miles, from the DNR. The old grass rig will be sold.

Police Chief Lee requested a budget increase for camera/computer maintenance contracts/extended warranties and for officer training. In the past officers have participated in required training only. Chief Lee would like officers to attend courses that are of personal interest to each one. These requests are included in the proposed budget. It was the consensus of the Council to approve these requests. Mike Lyonais reported that there is a placeholder in the budget for promoting an officer to sergeant. There is a line item in the budget for a new squad. The City purchased the 2018 squad in 2017, so this amount will be used to pay back the general fund for the early purchase.

Mike Lyonais reported that the estimated cost of \$332,284 for the Perkins Road project is not included in the proposed budget and that the Council needs to decide how to pay for that if they choose to move forward. A lengthy discussion ensued regarding how to obtain the land needed for the road, the cost of the road, the urgency to complete the road, and the future of South Bay Park. It was the consensus of the Council that Brad Nelson and Jon Henke would meet with the landowners and Attorney Person could help determine what options the City has to obtain the needed land. Dave Schrupp arrived at 3:45 P.M.

Mike Lyonais reported that the Council approved the replacement of sidewalks at City Hall at the last meeting. This unbudgeted item will be paid for with extra funds in the Comp Plan budget. The City budgeted \$20,000 in 2017 for the Comp Plan and the project was awarded to NJPA for \$8,500.

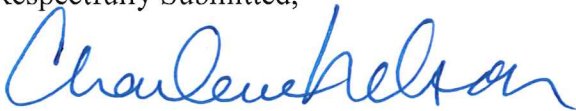
Ted Strand gave an update on the salt/sand building. Both Structural and Hy-Tec Construction said that the building is fixable. Bolton & Menk's structural engineer suggested that the building be torn down and rebuilt at an estimated cost of \$500,000. Ted Strand stated that the estimate to fix the building is less than \$100,000. WSN gave an estimate of \$8,500 to update the building specs for the repair of the building. MOTION 08S3-01-17 WAS MADE BY DAVE SCHRUPP AND SECONDED BY BRAD NELSON TO APPROVE THE WSN PROPOSAL FOR ENGINEERING SERVICES FOR THE SALT/SAND BUILDING REVIEW AND MODIFICATIONS AT A COST OF \$8,500. MOTION CARRIED WITH ALL AYES.

Mike Lyonais reported that the proposed budget reflects the Council's decision to pay \$1,500,000 cash and to issue \$1,000,000 bonds for the Wastewater Treatment Facility upgrades. The estimated cost for the 2018 road projects which includes Manhattan Point Blvd, which has been postponed for many years, is \$1,001,800. The Council could bond for this in 2018 and the first payment would be due in 2019. The estimated cost for the trail on Manhattan Point Blvd is \$439,000 and the City cannot issue bonds for this. This amount has not been added to the proposed budget. Ted Strand suggested that the Council change the ordinance so that property owners can be assessed for road repairs. Dave Schrupp suggested doing part of Manhattan Point Blvd in 2018 and part in 2019.

Mike Lyonais asked that staff and council forward questions related to the classification and compensation study to the City Clerk so that those concerns can be addressed by Springsted.

There being no further business, MOTION 08S3-02-17 WAS MADE BY DAVE SCHRUPP AND SECONDED BY GARY HEACOX TO ADJOURN THE MEETING AT 5:10 P.M. MOTION CARRIED WITH ALL AYES.

Respectfully Submitted,



Charlene Nelson
City Clerk