

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
APRIL 30, 1998
1:00 P.M. - CITY HALL

The Council for the City of Crosslake met in the Council Chambers of City Hall for a Special Session on Thursday, April 30, 1998. The following Councilmembers were present: Mayor Robert Scott, Councilmembers Donna Keiffer, Charles Miller and Raymond Smyth. Absent was Richard Upton. Also present was City Administrator Thomas Swenson, Deputy Clerk Darlene Roach, City Attorney Paul Sandelin, Sid Inman of Ehlers and Associates, Betty Ryan of Echo Publishing and City Auditor Judy Moravec. Also present representing David and Nancy Barnes was Darek Barnes, two Midwest corporate representatives of Ace Hardware, Contractor Jim Cotton and Lakes State Bank President David Elsenpeter. Also present was Telephone & Cable Company General Manager Kevin Larson and Chief Backdahl.

Mayor Scott called the special meeting to order at 1:00 P.M. by stating that the agenda contained several items for consideration. He then turned the meeting over to Sid Inman of Ehlers and Associates.

Sid Inman addressed what action needed to be taken in regards to Tax Increment Financing (TIF) for David and Nancy Barnes to construct an Ace Hardware store in TIF District #3. Sid Inman stated that several matters complicated the tax increment financing request beyond annual legislation changes that are made. The property has been purchased, financing has been completed, the contractor has obtained the zoning permit and construction has begun. Due to some misunderstandings regarding procedures for obtaining TIF, the project has been halted to allow time for the City to review the request. Should the City Council agree to move forward with the request, Sid Inman recommended that the State Auditor be contacted for an opinion on whether Tax Increment Financing could be approved for this project. It was suggested that letters be sent to the City Council as soon as possible from Lakes State Bank, Ace Hardware and the contractor which explain "but/for" tax increment financing the project will not go forward. The contractor letter should explain the timely shutting down of construction once the procedures were made known. The issue will be reviewed at the Regular Council Meeting in May. A policy for tax increment financing will be developed and brought to the Council for review and approval.

Kevin Larson requested Council approval to authorize the Mayor and General Manager to sign documents authorizing Crosslake Telephone Company to consolidate five regional PCS entities into one entity called Minnesota PCS dba Wireless North. Crosslake Telephone Company would become an investor in Minnesota PCS as they currently are in Midwest PCS. Minnesota PCS would hold the multiple PCS licenses previously controlled by the regional locations. City Attorney Paul Sandelin has reviewed all merger agreements and the re-organization with Minnesota PCS attorneys. The City Attorney has no concerns with the City signing the agreements.

MOTION 04S1-01-98 WAS MADE BY CHUCK MILLER AND SECONDED BY RAY SMYTH TO APPROVE THE MAYOR AND GENERAL MANAGER SIGNING THE AGREEMENT FOR MINNESOTA PCS. MOTION CARRIED UNANIMOUSLY.

Judy Moravec, auditor with Mathias Justin, CPA presented the results of the 1997 City audit which had been conducted by her. The overall results showed the City in a strong financial position. She stated that the City's debt limit is good at 2% of taxable property. She also stated that the City's books were in the best condition she has seen them for the several years their firm has conducted the audit. MOTION 04S1-02-98 WAS MADE BY CHUCK MILLER AND SECONDED BY RAY SMYTH TO APPROVE THE 1997 AUDIT. MOTION CARRIED UNANIMOUSLY.

MOTION 04S1-03-98 WAS MADE BY RAY SMYTH AND SECONDED BY DONNA KIEFFER TO APPROVE ALL BILLS FOR PAYMENT AS PRESENTED IN THE AMOUNT OF \$11,359.30. MOTION CARRIED UNANIMOUSLY.

The Personnel Committee met on Monday, April 27, 1998 to review various personnel issues. One of the items under discussion involved salaries and benefits for the Police Department. Recently the officers voted to decertify the Essential Employee Bargaining Unit. It was recommended that the officers receive the same benefit adjustments which were previously negotiated with AFSCME Local 65 prior to de-certification. MOTION 04S1-04-98 WAS MADE BY RAY SMYTH AND SECONDED BY DONNA KIEFFER TO APPROVE ITEM A NUMBERS 1-6 OF THE APRIL 27, 1998 MEMO TO THE CITY COUNCIL FROM THE PERSONNEL COMMITTEE. MOTION CARRIED UNANIMOUSLY. (Copy of memo attached to these minutes).

It was agreed by the Council that the City's Personnel Policy be updated to coincide with the bargaining unit agreement and current State Statutes. Councilmember Smyth volunteered to reconcile the inconsistencies between the Personnel Policy and the Union Agreement. However, the changes will be done by either a consultant, City staff under direction of the League of Minnesota Cities or the City Attorney. Upon completion, the City Council will repeal the current Personnel Ordinance and approve the revised document as a policy.

Two individuals were recommended for an extension to their six month probation. MOTION 04S1-05-98 WAS MADE DONNA KIEFFER AND SECONDED BY RAY SMYTH TO APPROVE THE RECOMMENDATION TO EXTEND THE PROBATION PERIODS FOR ERIC SWANSON AND CINDY MCCULLOCH FOR SIX MONTHS WITH AN INCREASE FOR CINDY MCCULLOCH TO 7.21 PER HOUR EFFECTIVE APRIL 26, 1998. MOTION CARRIED UNANIMOUSLY.

A request to hire a temporary fully licensed officer to cover currently vacant shifts and to proceed with the process of testing Police Officer Candidates to make up an eligibility list

was discussed. MOTION 04S1-06-98 WAS MADE BY RAY SMYTH AND SECONDED BY DONNA KEIFFER TO PROCEED WITH THE TESTING OF POLICE OFFICER CANDIDATES AND TO WORK WITH THE PUBLIC SAFETY COMMISSION LIAISON FOR THE HIRING OF A TEMPORARY OFFICER. MOTION CARRIED UNANIMOUSLY.

Chief Backdahl requested a revision be made to the Crosslake Disaster Preparedness Plan which would designate the City Administrator, Chief of Police and Civil Defense Director as the line of succession in the event of a disaster. Mayor Scott asked if this designation was in conflict with State Statute. The issue was deferred to the next Council meeting.

MOTION 04S1-07-98 WAS MADE BY RAY SMYTH AND SECONDED BY CHUCK MILLER TO CLOSE THE MEETING AT 2:05 P.M. TO DISCUSS A PERSONNEL MATTER IDENTIFIED BY THE CITY ATTORNEY. MOTION CARRIED UNANIMOUSLY.

MOTION 04S1-08-98 WAS MADE BY RAY SMYTH AND SECONDED BY CHUCK MILLER TO ADJOURN THE CLOSED MEETING AT 2:45 P.M. MOTION CARRIED UNANIMOUSLY.

John Weizenegger of Weizenegger Engel Insurance Company, the City's agent for property and casualty insurance under the League of Minnesota Cities was present to discuss the renewal of the City's policy effective 4/01/98 - 3/31/99. He reviewed the values of commercial property, miscellaneous coverage, general liability limits and auto and umbrella liability. Several items were added to the insurance policy after review by the City Administrator. Items added include coverage of the City's three bridges, dugouts at the ballfields and open areas at the park. The option to waive immunity saved the City \$659.00. In addition, the City Administrator negotiated a 20% decrease in the agents fee for the current renewal period. MOTION 04S1-09-98 WAS MADE BY CHUCK MILLER AND SECONDED BY RAY SMYTH TO APPROVE THE INSURANCE RENEWAL AT AN ANNUAL PREMIUM OF \$29,111 WITH AN ADDITIONAL PREMIUM OF \$588 OR OPEN MEETING LAW, AN ADDITIONAL PREMIUM OF \$457 FOR PETROFUND REIMBURSEMENT AND UMBRELLA COVERAGE FOR \$3,343 WITHOUT WAIVER OF IMMUNITY. MOTION CARRIED UNANIMOUSLY.

Applications for the position of light equipment operator and heavy equipment operator close at 4:00 p.m. on May 4th. There was some discussion as to who would participate in the interview process.

SPECIAL COUNCIL MEETING
APRIL 30, 1998

PAGE 4 OF 4 PAGES

MOTION 04S1-10-98 WAS MADE BY CHUCK MILLER AND SECONDED BY RAY
SMYTH TO ADJOURN THIS SPECIAL MEETING AT 3:27 P.M. MOTION
CARRIED UNANIMOUSLY.

Taped and transcribed by:

A handwritten signature in cursive script, reading "Darlene J. Roach".

Darlene J. Roach
Deputy Clerk

ADDITIONS TO BILLS FOR PAYMENT				
30-Apr-98				
VENDOR		DEPT	CHECK #	AMOUNT
Witts Roofing - shingles for picnic shelter		Park		\$808.25
U of M Ext Svc - Shooting Sports Program		Park		\$100.00
Simonson Lumber - caulk, shims, knife, misc		PW		\$45.61
Heartland Tire - '96 Ford balance, tires		PD		\$140.49
George Riches - film		P&Z		\$15.27
Valley Casting - volunteer pins		Govt		\$100.00
Culligan - bottled water		Govt		\$38.34
First Impression Printing - newsletter printing		Admin		\$123.10
Rohlfing - styrofoam cups		Govt		\$16.60
Stepp Manufacturing - crack seal kettle		PW	26657	\$1,226.85
Eric Swanson - short sleeve uniform shirt		PD		\$36.50
Minnesota Benefit Assoc - payroll deduct	1-May	Admin		\$78.48
John Backdahl - paper shredder		PD		\$31.94
John Backdahl - Chief conf expenses		PD		\$39.06
Grafix Shoppe - '98 Ford graphic kit		PD		\$180.73
MN Dept of Econ Sec - Unemployment 1st Q		Park/PW/		\$1,181.63
Teri Hastings - travel expenses		P&Z		\$9.13
John Backdahl - gas for squad trip from mpls.		PD		\$15.00
Teri Hastings - Safety & Loss Class travel		P&Z		\$49.88
Heartland Tire - '95 Ford balance, tires		PD		\$162.44
Viking Coke - pop for vending machine		Govt		\$30.67
Best Western Kelly Inn - Chiefs conf hotel		PD		\$237.51
John Backdahl - Bearcat Scanner		PD		\$115.00
CW Cty Sheriff's Dept - Alarm Registration		PD		\$10.00
CW Cty Sheriff's Dept - Alarm Registration		Park		\$10.00
Bjerga's Feed Store - Fertilizer		PW/Cemetery/Govt		\$218.00
Viking Coke - Park pop for vending mach		Park		\$46.81
Petty Cash - misc		Park		\$34.56
Simonson Lumber - sandpac		Park		\$2.76
Bjerga Feed - Fertilizer		Park		\$139.45
Coast to Coast - screen, pliers		Park		\$9.67
Reed's Market - snacks for shooting program		Park		\$2.64
Mermaid Enterprises - soap		PW		\$2.44
Mathias Justin - audit preparation		Admin		\$3,850.00
Career clothes - JWB shirt		PD		\$4.75
Jack Webster - 1st Quarter expenses		P&Z		\$50.00
Darrell Swanson - 1st Quarter expenses		P&Z		\$50.00
Nancy Koch - 1st Quarter expenses		P&Z		\$25.00
Cynthia Thunell - 1st Quarter expenses		P&Z		\$50.00
George Riches - 1st Quarter expenses		P&Z		\$25.00
Andy Anderson - 1st Quarter expenses		P&Z		\$25.00
Be Gunelson - 1st Quarter expenses		P&Z		\$75.00
Mills Fleet Farm -		Fire Dept		\$1,537.30
Mills Fleet Farm - Sprinklers		Govt		\$140.36
Pine Motors - Air filter, spark plugs misc eng work		PD		\$268.08
		Total		\$11,359.30

MEMO TO: City Council

FROM: Bob Scott, Ray Smyth, Tom Swenson

DATE: April 27, 1998

SUBJECT: Various Personnel Committee Recommendations

On Monday, April 27, 1998 the Personnel Committee met to discuss the following personnel items.

A) As you are aware, the Police Officers recently voted to decertify the Essential Employee Bargaining Unit which was represented by AFSCME Local 65. It is our recommendation that the Police Department Employees formerly represented by AFSCME receive the following benefit adjustments which were previously negotiated with AFSCME prior to the de-certification election.

- 1) The attached 1998 and 1999 salary schedules which were increased 3% each year be adopted.
- 2) That employee contributions to insurance coverage remain at 10% for 1998 and be increased to 15% in 1999.
- 3) The day after Thanksgiving be added as an approved holiday.
- 4) The uniform allowance per officer be increased from \$350 per year to \$400 per year.
- 5) That Erik Lee be placed on Step 3 of the 1998 Officer Wage Scale based on previous experience as a Police Officer.
- 6) The above benefit adjustments be approved retroactive to January 1, 1998.

B) As you may or may not be aware, both the City Personnel Policy and the current Contract with AFSCME contains language authorizing an extension of the 6-month probation period for up to an additional 6 months by the City Council. It is our recommendation that the probationary periods for Eric Swanson and Cindy McCulloch be extended 6 months to allow additional time for training. We further recommend Cindy McCulloch's pay be adjusted effective April 26, 1998 from \$7.00 per hour to \$7.21 per hour which is the current Step I salary for the Secretary Position in the AFSCME Agreement.

C) Also, for your information, we discussed briefly the need to revise the City Personnel Policy and the Police Department Policy Manual. John Backdahl will attempt to obtain Police Department Policies from the League of Minnesota Cities and from other departments of similar size. No decision was made at this time as to how or when to revise the City Personnel Policy. Our intention is to bring as much consistency as possible between the Personnel Policy and the current AFSCME Agreement.

D) John Backdahl discussed with us and requested:

- 1) permission to hire a Temporary Fully Licensed Officer to cover currently vacant shifts and
- 2) to proceed with the process of testing Police Officer Candidates to make up an eligibility list. The current eligibility list is approximately 1-½ to 2 years old.