

**REGULAR COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, DECEMBER 9, 2019
7:00 P.M. – CITY HALL**

The Crosslake City Council met in the Council Chambers of City Hall on Monday, December 9, 2019. The following Council Members were present: Mayor David Nevin, Gary Heacox, Dave Schrupp, John Andrews and Aaron Herzog. Also present were City Administrator Mike Lyonais, City Clerk Char Nelson, Park Director TJ Graumann, Zoning Administrator Jon Kolstad, Police Chief Erik Lee, Fire Chief Chip Lohmiller, Public Works Director Ted Strand, City Attorney Brad Person, City Engineers Dave Reese and Phil Martin, Echo Journal Reporter Dan Determan, and Northland Press Reporter Paul Boblett. There were approximately five people in the audience.

A. CALL TO ORDER – Mayor Nevin called the meeting to order at 7:00 P.M. The Pledge of Allegiance was recited. MOTION 12R-01-19 WAS MADE BY JOHN ANDREWS AND SECONDED BY AARON HERZOG TO APPROVE THE ADDITIONS TO THE AGENDA. MOTION CARRIED WITH ALL AYES.

B. PUBLIC INFORMATION MEETING – The Mayor turned the meeting over to City Administrator Mike Lyonais. Mr. Lyonais reported that the Council had four previous meetings to discuss the budget and that the budget presented tonight was the final recommendation. Mr. Lyonais welcomed comments or questions from the public.

Marcia Volz of 37668 Moen Beach Trail asked why the Council is approving a 9% increase to the budget when they could get by with approving a 6.15% increase and stated that her property value increased for 2020. Mr. Lyonais stated that the County reviews and adjusts property values every five years. Ms. Volz suggested rather than increasing the budget for unforeseen expenses, that the Council reallocate funds in the budget if more money is needed throughout the year.

Mike Lyonais stated that the largest factor in the budget is bond payments and that a 1% levy increase equals approximately \$40,000.

Ann Schwartz of 13803 Edgewater Lane addressed the Council and asked why there has been no extension to sanitary sewer as was promised when Phase 1 sewer project was complete in 2004. Extending the sewer to more customers would reduce the monthly user charges. Ms. Schwartz currently pays \$50 per month for sewer and said that was outrageous. Mayor Nevin replied that those promises were made by a previous Council and that this Council cannot speak to what happened then.

Dave Schrupp stated that he did not like referring to the 9% increase as a cushion.

MOTION 12R-02-19 WAS MADE BY AARON HERZOG AND SECONDED BY GARY HEACOX TO ADOPT RESOLUTION NO. 19-32 APPROVING FINAL 2019 TAX LEVY

COLLECTIBLE IN 2020 AS PRESENTED TOTALING \$4,306,139 WHICH IS A 9% INCREASE OVER LAST YEAR. MOTION CARRIED WITH ALL AYES.

Ann Schwartz of 13803 Edgewater Lane asked if the proposed sewer extension was included in the 2020 Budget and asked why this year's actual amount is higher than the proposed amount for sewer projects. Mike Lyonais replied that bonds were not issued this year to cover the project costs and that the sewer project is included in the 2020 Budget.

MOTION 12R-03-19 WAS MADE BY DAVE SCHRUPP AND SECONDED BY JOHN ANDREWS TO APPROVE THE 2020 CITY REVENUE BUDGET TOTALING \$7,602,310 AND THE 2020 EXPENDITURE BUDGET TOTALING \$11,598,125. MOTION CARRIED WITH ALL AYES.

C. CONSENT CALENDAR – MOTION 12R-04-19 WAS MADE BY GARY HEACOX AND SECONDED BY JOHN ANDREWS TO APPROVE THE FOLLOWING ITEMS ON THE CONSENT CALENDAR:

1. Regular Council Meeting Minutes of October 14, 2019
2. Regular Council Meeting Minutes of November 12, 2019
3. Special Council Meeting Minutes of November 21, 2019
4. City – Month End Revenue Report dated November 2019
5. City – Month End Expenditures Report dated November 2019
6. November 2019 Budget to Actual Analysis
7. Memo dated December 9, 2019 from Mike Lyonais Re: Tax Increment Financing Reimbursement
8. Police Report for Crosslake – November 2019
9. Police Report for Mission Township – November 2019
10. Fire Department Report – November 2019
11. North Memorial Ambulance Report – November 2019
12. Planning and Zoning Monthly Statistics
13. Public Works Meeting Minutes of October 7, 2019
14. Park/Library Commission Meeting Minutes of October 23, 2019
15. Waste Partners Recycling Report for October 2019
16. Sales Tax Committee Meeting Minutes of November 13, 2019
17. Annual Lutheran Social Service Meals Site Use Agreement for 2020
18. Memo dated December 3, 2019 from City Clerk Re: Retroactive Approval of Bills for Payment
19. Bills for Approval in the Amount of \$59,876.52

MOTION CARRIED WITH ALL AYES.

D. PUBLIC FORUM – Tom Swenson of 36036 West Shore Drive stated that he suggested the Council go out for RFP's for City Attorney three months ago and no action has taken place. Mayor Nevin replied that the Council has no interest in pursuing that. Mr. Swenson suggested that the Council state that fact so the citizens know the answer. MOTION 12R-05-19 WAS MADE BY DAVE SCHRUPP AND SECONDED BY AARON HERZOG TO SET A POLICY THAT ALL ITEMS BROUGHT UP AT PUBLIC FORUM BE PLACED ON THE FOLLOWING AGENDA FOR ACTION. MOTION CARRIED WITH ALL AYES.

MOTION 12R-06-19 WAS MADE BY GARY HEACOX AND SECONDED BY DAVE SCHRUPP TO NOT SEEK RFP'S FOR CITY ATTORNEY AT THIS TIME. MOTION CARRIED WITH ALL AYES.

Ann Schwartz of 13803 Edgewater Lane stated she was disappointed with the Council's lack of progress in the last 15 years regarding the sewer extension and agreed with Mr. Swenson that the Council should respond to citizen's concerns.

E. MAYOR'S AND COUNCIL MEMBERS' REPORT

1. Mayor Nevin presented a letter dated November 21, 2019 from Crow Wing Power regarding the cooperative's municipal meter relief program. Under the municipal meter relief program, the City of Crosslake currently has 8 meters that the cooperative is forgiving the normal monthly service fee. This saved the City \$2,304 in 2019 and \$22,712 over the past 24 years.
2. PAL Foundation member Marcia Volz presented Park Director TJ Graumann with a donation of \$3,303.08 for upgraded projector equipment at the Community Center. MOTION 12R-07-19 WAS MADE BY JOHN ANDREWS AND SECONDED BY DAVE SCHRUPP TO APPROVE RESOLUTION NO. 19-33 ACCEPTING DONATIONS FROM PAL FOUNDATION FOR PROJECTOR EQUIPMENT IN THE AMOUNT OF \$3,303.08 AND BLACK GOLD COMPOST IN THE AMOUNT OF \$300, AND FROM THE CROSSLAKE FIREFIGHTERS RELIEF ASSOCIATION IN THE AMOUNT OF \$1,111.26 FOR POWER TOOLS. MOTION CARRIED WITH ALL AYES.
3. Cindy Myogeto of the Chamber gave an update on the Winterfest celebration to be held January 30-February 1, 2020. MOTION 12R-08-19 WAS MADE BY JOHN ANDREWS AND SECONDED BY GARY HEACOX TO APPROVE THE FIREWORKS DISPLAY TO BE HELD ON JANUARY 31, 2019 AND TO APPROVE THE SERVING OF SOUP ON FEBRUARY 1, 2020 FOR WINTERFEST. MOTION CARRIED WITH ALL AYES.
4. Mayor Nevin gave a brief update on the new City Hall building. Weather has been an issue but the roof should be on by the end of the year. MOTION 12R-09-19 WAS MADE BY AARON HERZOG AND SECONDED BY GARY HEACOX TO APPROVE PAY APPLICATION #3 FROM HY-TEC CONSTRUCTION FOR THE CITY HALL PROJECT IN THE AMOUNT OF \$371,969.35. MOTION CARRIED WITH ALL AYES.
5. Dave Nevin reported that property owner David Anderson offered to sell the City the lot to the north of North Ambulance at a cost of \$40,000 with an additional \$10,000 donation from the City. Aaron Herzog replied that the lot in question is part of the Old Log Landing Homeowners Association and that the buyer would need permission from the association to sell the lot for purposes other than a dwelling. All properties in the association must pay assessments and dues. Dave Nevin suggested that the City could put a stormwater pond on the property. Attorney Person recommended having an appraisal done on the property. It was the consensus of the Council to direct staff to contact the Old Log Landing Homeowners Association to find out if the City could buy the lot to be used as a stormwater pond.

F. CITY ADMINISTRATOR'S REPORT

1. MOTION 12R-10-19 WAS MADE BY GARY HEACOX AND SECONDED BY JOHN ANDREWS TO APPROVE THE 2020 FEE SCHEDULE AS PRESENTED. MOTION CARRIED WITH ALL AYES.
2. Mike Lyonais reported that he and Dave Schrupp worked with the Department of Revenue and the League of MN Cities to create the Resolution regarding sales tax. Five sewer related projects are listed as the top priorities of the City and that the sales tax would be generated to offset the City's cost of these projects. The proposed tax would last 25 years or until \$8,700,00 was collected. The rate of the sales tax would be ½%, which is estimated to raise \$240,000 per year. MOTION 12R-11-19 WAS MADE BY AARON HERZOG AND SECONDED BY JOHN ANDREWS TO APPROVE RESOLUTION NO. 19-34 SUPPORTING THE AUTHORITY TO IMPOSE A LOCAL SALES AND USE TAX TO FUND SPECIFIC CAPITAL IMPROVEMENTS PROVIDING REGIONAL SIGNIFICANCE, TO ESTABLISH THE DURATION OF THE TAX AND THE REVENUE TO BE RAISED BY THE TAX, AND TO AUTHORIZE THE CITY TO ISSUE BONDS SUPPORTED BY THE SALES TAX REVENUE. MOTION CARRIED WITH ALL AYES.

G. COMMISSION REPORTS

1. PUBLIC WORKS/CEMETERY/SEWER COMMISSION
 - a. Dave Reese reported that the Public Works Commission recommended that Wild Wind Ranch Drive be included in the 2020 Road Improvement Projects. Ted Strand stated that the sub-base of the road is bad and damaged the plow last winter. Nagell Appraisals will do an appraisal to determine the value of the project to the affected property owners. MOTION 12R-12-19 WAS MADE BY JOHN ANDREWS AND SECONDED BY GARY HEACOX TO APPROVE THE PROPOSAL FOR PROFESSIONAL SERVICES FOR WILD WIND RANCH DRIVE IMPROVEMENTS FEASIBILITY STUDY AT A COST OF \$4,000. MOTION CARRIED 4-1 WITH SCHRUPP ABSTAINING, AS HE LIVES ON WILD WIND RANCH DRIVE. MOTION CARRIED WITH ALL AYES.
 - b. Dave Reese presented the Crosslake Parking and Pedestrian Route Study dated November 2019. The study revealed that there are gaps of sidewalk missing throughout town that move pedestrians from one spot to another and that parking is adequate except on a handful of summer days. The Loon Center plans to have no parking on the Corps of Engineers property. A discussion ensued regarding the suggested projects from the study that would be broken into two construction phases. The City will submit a grant for funding from the federal government which would require a 40% match in 2024. Some of the projects would be cost shared with the County, if the project is adjacent to a County road. The grant application is due January 3rd and the County has offered to help write the application. MOTION 12R-13-19 WAS MADE BY DAVE SCHRUPP AND SECONDED BY GARY HEACOX TO APPROVE THE FINDINGS OF THE CROSSLAKE PARKING AND PEDESTRIAN ROUTE STUDY AND TO DIRECT STAFF TO PROCEED WITH FULL GRANT APPLICATION. MOTION CARRIED WITH ALL AYES.

- c. The Council reviewed recommendations from the Public Works Commission regarding assessments and hookup charges for the sanitary sewer extension to Moonlite Bay/Moonlite Square. Attorney Person noted that changing the assessment fee from \$7,500 to \$7,000 could be done anytime, but changing the amount of time that residents would have to hookup to the sewer would require an ordinance amendment. MOTION 12R-14-19 WAS MADE BY DAVE SCHRUPP AND SECONDED BY JOHN ANDREWS TO DIRECT STAFF TO DRAFT AN ORDINANCE AMENDMENT WHICH WOULD TIE THE AGE OF A RESIDENT'S SEPTIC SYSTEM TO WHEN THE RESIDENT WOULD NEED TO HOOKUP TO SANITARY SEWER. MOTION CARRIED WITH ALL AYES.

Ted Strand reported that with the recent heavy snowfall, there is little room for the plows to push snow and asked residents to be patient.

2. PARK & RECREATION/LIBRARY COMMISSION

- a. MOTION 12R-15-19 WAS MADE BY JOHN ANDREWS AND SECONDED BY GARY HEACOX TO APPROVE THE REPLACEMENT OF A NEW CABINET UNIT HEATER AT A COST NOT TO EXCEED \$3,600 FROM MIKE'S ELECTRIC. MOTION CARRIED WITH ALL AYES.

3. PLANNING AND ZONING COMMISSION

- a. MOTION 12R-16-19 WAS MADE BY DAVE NEVIN AND SECONDED BY AARON HERZOG TO APPROVE ORDINANCE NO. 360 NAMING AN UNNAMED ROAD AS ROCK LAKE TRAIL AND ADDING THE ROAD NAME TO THE MASTER ROAD NAME INDEX AND TO PUBLISH SUMMARY OF ORDINANCE IN OFFICIAL NEWSPAPERS. MOTION CARRIED WITH ALL AYES.

4. PERSONNEL COMMITTEE

- a. MOTION 12R-17-19 WAS MADE BY DAVE NEVIN AND SECONDED BY JOHN ANDREWS TO APPROVE THE EMPLOYEE RECOGNITION POLICY AS PRESENTED. MOTION CARRIED WITH ALL AYES.
- b. MOTION 12R-18-19 WAS MADE BY GARY HEACOX AND SECONDED BY JOHN ANDREWS TO APPROVE 3% COST OF LIVING ADJUSTMENT FOR NON-UNION EMPLOYEES FOR YEAR 2020. MOTION CARRIED WITH ALL AYES.

MOTION 12R-18-19 WAS MADE BY AARON HERZOG AND SECONDED BY GARY HEACOX TO INCREASE BASE SALARY FOR MANAGER OF PARKS, RECREATION & LIBRARY BY \$2,500 EFFECTIVE 1/1/20. TJ Graumann reported that Jane does an absolute amazing job. MOTION CARRIED WITH ALL AYES.

- c. MOTION 12R-19-19 WAS MADE BY AARON HERZOG AND SECONDED BY DAVE SCHRUPP TO APPROVE THE FIRE DEPARTMENT OFFICERS FOR

2020-2022 AS PRESENTED. Dave Nevin stated that the fire department members do a great job. MOTION CARRIED WITH ALL AYES.

- d. Chief Lee reported that he will start advertising for a full-time officer this week. Chief Lee had hoped that one of the part-time officers would want to move to full-time, but none applied. He hopes to have a new officer on the road by March 1st.

H. PUBLIC FORUM – None.

I. CITY ATTORNEY REPORT – None.

J. NEW BUSINESS - None.

K. OLD BUSINESS– None.

L. ADJOURN – MOTION 12R-20-19 WAS MADE BY GARY HEACOX AND SECONDED BY DAVE SCHRUPP TO ADJOURN THE MEETING AT 8:45 P.M. MOTION CARRIED WITH ALL AYES.

Respectfully Submitted,



Charlene Nelson
City Clerk

RESOLUTION NO. 19-32
RESOLUTION APPROVING FINAL 2019 TAX LEVY
COLLECTIBLE IN 2020

Be it resolved by the Council of the City of Crosslake, County of Crow Wing, Minnesota, that the following sums of money be levied for the current year, collectible in 2020, upon taxable property in the City of Crosslake, for the following purposes:

General Property Tax Levy	\$ 3,465,861
G.O. Refunding Bonds 2012A	344,275
G.O. Sewer Rev. Imp Bonds 2017A	121,228
G.O. Reconstruction Bonds 2018A	104,292
G.O. CIP Bonds Series 2019A	<u>270,483</u>
Total Levy	\$ 4,306,139

The City Administrator/Treasurer is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Crow Wing County, Minnesota.

Adopted by the City Council on December 9, 2019.



David Nevin
Mayor



Michael R. Lyonais
City Administrator/Treasurer

BILLS FOR APPROVAL
December 9, 2019

VENDORS	DEPT		AMOUNT
Ace Hardware, antifreeze	Park		6.00
Ace Hardware, sump pump	Sewer		129.99
Ace Hardware, hand sanitizer	Sewer		41.44
Ace Hardware, tape	Park		13.99
Ace Hardware, hooks, spark plug	Park		12.93
Ace Hardware, keys	Park		13.93
Ace Hardware, soap, spray paint, extension cord	PW		61.74
Ace Hardware, blades, tape measure	PW		29.98
Ace Hardware, microwave	PW		109.99
Ace Hardware, batteries	PW		7.17
Ace Hardware, batteries	Park		15.98
Ace Hardware, mouse bait	Park		31.16
Ace Hardware, lube, grease, injectors	Park		24.76
Ace Hardware, floor dry, nuts and bolts	Park		21.95
Ace Hardware, utility knife	PW		3.99
Ace Hardware, chain for saw	PW		40.94
Ace Hardware, wet ones	Sewer		8.98
Ace Hardware, janitorial supplies	Sewer		35.96
Ace Hardware, electrical supplies	PW		36.74
Ace Hardware, hardware	PW		3.68
American Door Works, door repair	PW		149.52
American Steel, cutting edge	PW		13.80
AW Research, water testing	Sewer		297.00
Baker & Taylor, books	Library		62.01
Birchdale Fire & Security, quarterly monitoring	Gov't		162.00
Blue Cross, health insurance	ALL		25,756.00
Brainerd Hydraulics, oil, hose, fittings	PW		66.20
Breen & Person, legal fees	ALL		1,230.00
Cheryl Stuckmayer, uniform reimbursement	PZ	pd 12-4	27.90
City of Crosslake, sewer utilities	PW/Govt		150.00
Clean Team, december cleaning	PW/Govt		1,207.50
Costco, membership fees	Gov't		60.00
Council #65, union dues	Gov't		228.00
Crosslake Communications, phone, fax, cable, internet	ALL		1,674.68
Crosslake Rolloff, recycling	Gov't		2,695.00
Culligan, water and cooler rental	PW/Govt		95.20
Delage Landen Financial Services, copier lease	Park		117.00
Delta Dental, dental insurance	ALL		1,671.20
Eric Swanson, meal reimbursement	Police	pd 12-4	90.00
Fastenal, nuts and bolts	PW		95.12
Fifty Lakes Cattle Co, straw for septic insulation	Park	pd 12-4	60.00
Fire Instruction & Rescue, air monitoring	Fire	pd 12-4	650.00
Fire Instruction & Rescue, confined space trailer	Fire	pd 12-4	850.00
Flaherty & Hood, merseb dues	Sewer		500.00
Fortis, disability insurance	ALL		782.91

Forum Commications, assessment hearing notice	Sewer		51.00
Jefferson Fire & Safety, thermal imaging cameras	Fire		3,826.51
Jon Kolstad, mileage reimbursement	PZ	pd 12-4	89.43
Jon Kolstad, uniform reimbursement	PZ	pd 12-4	84.97
Josh Runksmeier, uniform reimbursement	Park	pd 12-4	128.00
Lakes Gas Co, bulk lp	Park		226.52
Mastercard, Amazon, cable	Park		8.99
Mastercard, Amazon, heater wipers	Park		59.24
Mastercard, Amazon, thick cork rolls	Library		153.80
Mastercard, Amazon, receipt books, laminate puches	Park		74.68
Mastercard, Amazon, power tools	Fire		1,111.26
Mastercard, Berts Truck Equipment, remote, down switch	PW		743.95
Mastercard, Blauer, uniform	Police		113.99
Mastercard, Brainstorm, books	Library	pd 11-22	193.92
Mastercard, CIS, computer	Police		3,474.00
Mastercard, DG, pop	Gov't		40.29
Mastercard, Jacks Small Engines, scraper blade	Park		44.56
Mastercard, MN Board of Accountancy, certificate renewal	Admin		102.00
Mastercard, Neopost, ink	Gov't		140.00
Mastercard, PSI, drone exam	Fire		160.00
Menards, vacuum, batteries, mop bucket	PW		186.90
Menards, gloves, laundry soap	Park		52.53
Midwest Machinery, oil, switch, filter	Park		51.67
Mike Lyonais, reimburse petty cash	ALL		71.98
MN Life, life insurance	ALL		287.80
MN NCPERS, life insurance	ALL		112.00
MR Sign, street signs	PW		77.14
Napa, battery	Police		9.42
Napa, flood lights for plow truck	PW		184.00
Napa, washer fluid	Police		20.94
Napa, tractor light	Park		2.22
Napa, gloves	PW		65.94
Napa, plow head light	Park		9.47
Neil Luzar, reimburse for fuel	Fire	pd 12-4	100.65
Neofunds, postage meter refill	ALL	pd 12-4	700.00
Northland Press, assessment hearing notice	Sewer		110.50
Premier Auto, diagnostic labor, cylinder coil	Police		228.57
Shannons Auto Body, plow parts	PW		1,507.57
Spa Partners, gym equipment wipes	Park		337.87
Streichers, uniform	Police		58.97
Teamsters, union dues	Police		205.00
The Office Shop, copy paper	PZ/Admin		149.96
The Office Shop, toner cartridge	Admin		189.99
TJ Graumann, mileage reimbursement	Park	pd 12-4	28.42
TJ Graumann, reimburse for light and water	Park	pd 12-4	52.11
United Laboratories, total pressure spray	PW		204.00
US Bank, copier lease	ALL		156.00
WW Goetsch, pump repairs	Sewer		1,775.00
Xcel Energy, gas utilities	ALL		1,036.69
Ziegler, cutting edges	PW		1,609.26
Ziegler, bolts and nuts	PW		124.50
TOTAL			59,876.52

City of Crosslake

RESOLUTION 19-33

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
PAL Foundation	\$3,303.08	Update projector system at Community Center
	\$300.00	Black Gold Compost
Crosslake Firefighters Relief Association	\$1,111.26	Power Tools

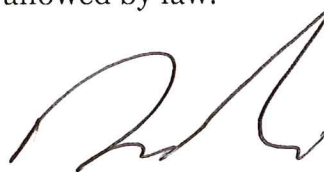
; and

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 December, 2019.



David Nevin
Mayor

ATTEST:



Michael R. Lyons
City Administrator
(SEAL)

**CITY OF CROSSLAKE
RESOLUTION NO. 19-34**

**RESOLUTION SUPPORTING THE AUTHORITY TO IMPOSE A LOCAL SALES AND
USE TAX TO FUND SPECIFIC CAPITAL IMPROVEMENTS PROVIDING REGIONAL
SIGNIFICANCE, TO ESTABLISH THE DURATION OF THE TAX AND THE
REVENUE TO BE RAISED BY THE TAX, AND TO AUTHORIZE THE CITY TO ISSUE
BONDS SUPPORTED BY THE SALES TAX REVENUE.**

WHEREAS, the City of Crosslake has engaged community residents and businesses to identify the following priorities for proposed sanitary sewer expansion projects and are included in Attachment A “Citywide Wastewater Management Study”, dated October 31, 2018;

Priority 1: Northerly System Expansion (CSAH 66/Moonlite Service Area) – First priority due to the current and anticipated sewer issues in the Moonlite Bay Restaurant and Moonlite Square Car Wash/Gas Station areas. Use in this area will continue to grow beyond the original septic design capabilities. Estimated cost \$1,300,000.

Priority 2: Easterly System Expansion (Daggett Lake Service Area) – Due to density, lot size, and proximity to lake shore, this is the second priority. The City has considered this area in the past and residents have shown interest for sanitary sewer. Estimated cost \$1,500,000.

Priority 3: Southerly System Expansion (East Shore Service Area) – This is the third priority due to density, lot size and proximity to the lake shore. The expansion also allows for the opportunity to extend utilities into off lake properties for development of more affordable housing stock in the City. Estimated cost \$4,900,000.

Priority 4: Biosolids and Wastewater Plant Rehabilitation – This allows the City to treat biosolids generated by the plant along with replacing infrastructure at the wastewater treatment plant as it nears its estimated useful life. Estimated cost of \$9,100,000.

Priority 5: Northeasterly System Expansion (Community Center Service Area) – This is the fifth priority. The expansion would run past the Community Center, future development of assisted living and along the shore of Daggett Lake. Estimated cost \$4,200,000; and

WHEREAS, the aforementioned projects will result in benefits to both the residents and businesses of the City of Crosslake as well as tourists and visitors; and,

WHEREAS, funding these project(s) with a local sales tax will more closely distribute the cost of the project(s) to the users of the facilities; and,

WHEREAS, the aforementioned project(s) are estimated to cost approximately \$21,000,000; and,

WHEREAS, the City estimates that a local sales tax of 1/2 percent would generate \$8,700,000 over 25 years; and,

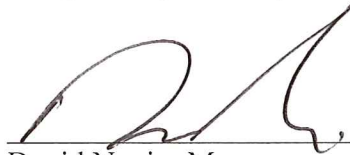
WHEREAS, Minn. Stat. § 297A.99 authorizes the imposition of a general sales tax if permitted by special law of the Minnesota Legislature; and,

WHEREAS, Minn. Stat. § 297A.99 requires the City to pass a resolution authorizing such a local tax and to obtain Legislative approval prior to approval by the local voters to enact the local tax;


**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF
CROSSLAKE, MINNESOTA AS FOLLOWS:**

1. The City Council supports the authority to impose a general local sales tax of 1/2 percent for a period of 25 years to fund the aforementioned projects;
2. Upon approval of this resolution, the City will submit the adopted resolution and documentation of regional significance to the chairs and ranking minority members of the House and Senate Taxes committees for approval and passage of a special law authorizing the tax, by January 31 of the year that it is seeking the special law.
3. Upon Legislative approval and passage of the special law authorizing the tax, the City will adopt a resolution accepting the new law, which will be filed with a local approval certificate to the Office of the Secretary of State before the following Legislative session.
4. The City will put a detailed ballot question(s), which includes separate questions for each project, on a general election ballot for local voter approval. This will be done within two years of receiving legislative authority.
5. If one or more ballot questions pass, the City will also pass an ordinance imposing the tax and notify the Commissioner of Revenue at least 90 days before the first day of the calendar quarter that the tax will be imposed.
6. Upon completion of the aforementioned requirements, the local sales tax will commence and run until December 31, 2046 or until a sum sufficient to fund the voter approved projects, including related debt costs, is raised, whichever comes first.

Adoption by the City Council of the City of Crosslake this 9th day December, 2019.



David Nevin, Mayor



Michael R. Lyons, City Administrator

ATTEST:



Charlene Nelson, City Clerk