

CITY OF CROSBY
Council Agenda
Monday, August 14, 2023
6:00 Regular Meeting

Pursuant to due call and notice thereof, the Regular Meeting of the Crosby City Council was held on Monday, August 14, 2023, at 6:00 p.m.

Members Present: Mayor Cash, Council Members Heglund, Traylor, Lewis, and Jarvela

Members Absent: None.

Staff Present: Matthew Hill, Administrator Clerk Treasurer; Dianne Howard, Administrative Assistant; Tom Mount, Police Sergeant; Jay Decent, Fire Chief; James Lueck, Public Works Foreman; Joe McLaughlin, GM of HCC; Joe Langel, City Attorney

1. Call Regular Meeting to Order

Mayor Cash called the meeting of the Crosby City council to order at 6:00 p.m.

2. Pledge of Allegiance

Mayor Cash led with the Pledge of Allegiance

3. Approval of Agenda

Administrator Hill asked that there be an amendment to the current agenda. He requested the addition of item 7.I. under New Business to consider the low bid to replace the water heaters at the Hallett Center.

MOTION BY MEMBER TRAYLOR AND SECONDED BY MEMBER HEGLUND TO APPROVE THE AGENDA WITH THE ADDITION OF ITEM 7.I UNDER NEW BUSINESS.

A VOICE VOTE: THOSE VOING AYE: MAYOR CASH, MEMBERS HEGLUND, TRAYLOR, LEWIS, AND JARVELA. THOSE VOTING NAY: NONE. MOTION CARRIED.

4, Consent Agenda

- A. Approval of Minutes from July 24, 2023, Regular Meeting
- B. Approval of Claims
- C. Adopt Resolution 2023-14-0814 Accepting Donations

- D. Accept resignation of Library Aide, Debbie Weide
- E. Approval to post open Library Aide position
- F. Approval of Special Event Application and waive application fee for Heritage Days Committee
- G. Approval of Gambling Application for Cuyuna Range Ducks Unlimited

MOTION BY MEMBER JARVELA AND SECONDED BY MEMBER LEWIS TO APPROVE THE CONSENT AGENDA.

A VOICE VOTE: THOSE VOTING AYE: MAYOR CASH, MEMBERS HEGLUND, TRAYLOR, LEWIS, AND JARVELA. THOSE VOING NAY: NONE. MOTION CARRIED.

5.. Public Comments: None.

6. Unfinished Business: None.

7. New Business

- A. Discussion on Crow Wing Transit Bus Service—Deb Wynn and guests. Administrator Hill provided a brief background. Ms. Wynn has asked to be on the agenda to address the City Council regarding the Crow Wing Transit Bus Service. Jessie Dehn, Public Works Director for the City of Brainerd, provided the following information to Administrator Hill prior to tonight's meeting. The County Board recently elected to raise the fares to \$8.00 per ride scheduled in advance; \$12.00 per ride for same day service. The service will also be changing to twice-daily—morning and afternoon service from two locations in Crosby to and from Brainerd. Currently, one of the locations will be at the Holiday Gas Station and the other will either be at the Library or the Hallett Community Center. Currently pickup times will be 7:15 to 7:30 a.m. with return times 2:30 to 2:45 p.m.; however, these have not been finalized. Crosby is not involved in management or funding of the bus service.

Ms. Wynn discussed the termination of the bus service in Crosby. It has been in service for approximately 10 years. It may not be used by a large number of citizens in town, but it is also not advertised. The people that do use it use it for doctor appointments, medical treatments, bank and post office visits, grocery shopping, visiting friends and family, and other general services. Ms. Wynn was wondering what our other options may be for transporting our citizens that need this service. Would the local school bus service be interested? How about Arrowhead transit system, who has very good rates or even Blue Sky or Reicherts Bus Service? Could Crosby own their own bus?

Member Lewis asked how many citizens use the bus right now. Ms. Wynn stated that her numbers are Covid numbers and are not accurate. She then stated that the County Commissioners voted to drop Crosby off from the bus service. Mayor Cash asked if they had lost the funding for this service. Ms. Wynn stated that they had lost some funding.

Member Lewis asked if you call the bus service will they come? Ms. Wynn stated that they will not and will no longer pick people up at their door.

Mayor Cash asked if there were any kids who are open enrolled who use the transit bus. Administrator Hill stated that St. Francis kids use this service at two pickup locations.

Member Heglund feels that the City should step up to help these people. Member Lewis stated that we have to determine what the numbers are first.

Mayor Cash inquired if Salem West has any transportation services. Ms. Wynn stated that Salem West does not provide transportation and Super One does not provide home delivery. The two drug stores in town do deliver, however.

Member Lewis said that he believes a special license is required to transport people as well as insurance. The cost and upkeep of a vehicle are also a concern.

Ms. Wynn said she thought it would be a good idea if we could utilize one of our City employees to drive a bus. Member Heglund stated that he felt it would be doing our taxpayers a huge favor. Member Traylor said that it may be doing them a huge favor but that it would be very expensive to have our own city bus service for our taxpayers. He would like to have Crow Wing County meet with us to talk about our options and to get the full story.

Mayor Cash said according to our legislators in the paper, it was State funding that was cut for the bus service.

City Administrator Hill stated that this is something the Finance Committee could investigate in further detail. It would definitely be a budget question. The next Finance Committee meeting will be August 27th per Mayor Cash. Ms. Wynn gave City Administrator Hill contact information for Arrowhead Transit in Hermantown, as well as other contact information that she has collected.

Mayor Cash stated that the Finance Committee will look into this in a couple of weeks and will bring their findings to Council thereafter.

- B. Consider approval of Pay Request No. 5 for 1st and 4th Street Improvement Project—The work was completed to the satisfaction of our City Engineer, Phil Martin. We recommend payment of Pay Request No. 5 for \$194,889.61 as presented.

MOTION BY MAYOR CASH AND SECONDED BY MEMBER LEWIS FOR APPROVAL OF PAY REQUEST NO. 5 FOR 1ST AND 4TH STREET IMPROVEMENT PROJECT.

A VOICE VOTE: THOSE VOTING AYE: MAYOR CASH, MEMBERS HEGLUND, TRAYLOR, LEWIS, AND JARVELA. THOSE VOTING NAY: NONE. MOTION CARRIED.

- C. Consider acceptance of low bid for grant funded IT upgrades at the Hallett Community Center—Administrator Hill reported that a technology upgrade is needed. The Hallett Center identified the need to upgrade their technology at the facility due to the age and usefulness of the current infrastructure and the needs of their membership. City Administrator Hill was approved for a grant from Sourcewell and Joe McLaughlin of HCC was approved for a grant from the HCC Foundation that will cover the costs of the upgrade. Three bids were received. The low bid was from CTC IT (now called XTONA) in the amount of \$14,718.00 plus a monthly support fee, which will be in place when the current IT support contract is complete. CTC will provide upgrades for better business management. Because of the grants that we received, we are actually greater than the cost of the upgrades. This is due to lower bids and we have inquired with Sourcewell to determine if these funds can be used for Library IT upgrades as well. We should have more information at our next meeting. Mr. McLaughlin and Administrator Hill have reviewed all of the bids and met with the contractors and are recommending approval of the low bid from XTONA for the IT upgrades at the Hallett Community Center. Mayor Cash confirmed that there were two grants. Member Heglund stated that he had a problem with this and asked if there were three bids. Administrator Hill stated that there were. Member Heglund stated that Spalj had been doing work for HCC from day one. Engineer Martin stated they did not bid the job as it is an IT project.

MOTION BY MEMBER TRAYLOR AND SECONDED BY MEMBER HEGLUND FOR APPROVAL OF LOW BID FOR GRANT FUNDED IT UPDATES AT THE HALLETT COMMUNITY CENTER.

A VOICE VOTE: THOSE VOTING AYE: MAYOR CASH, MEMBERS HEGLUND, TRAYLOR, LEWIS, AND JARVELA. THOSE VOTING NAY: NONE. MOTION CARRIED.

- D. Consider approval of request from the Economic Development Committee to work with Red Threads to develop a new City Logo—Administrator Hill

City Administrator Hill reported that the Economic Development Committee has been researching the best process to have a new logo design and branding created for the City of Crosby. Red Threads was recommended to the committee and they requested a proposal from Red Threads to view their work and pricing. The proposal is for \$900.00 and we can use Economic Development funding for that project.

MOTION BY MEMBER TRAYLOR AND SECONDED BY MEMBER JARVELA FOR APPROVAL OF REQUEST FROM THE ECONOMIC DEVELOPMENT COMMITTEE TO WORK WITH RED THREADS TO DEVELOP A NEW CITY LOGO.

Member Lewis asked what the brand guidelines are and if we can use it anywhere. Administrator Hill clarified that we would own the logo. Mayor Cash stated that the Council would be involved in the decision-making process and Administrator Hill agreed adding that City Council would have the final decision after the Economic Development Committee's recommendation.

A VOICE VOTE: THOSE VOTING AYE: MAYOR CASH, MEMBERS HEGLUND, TRAYLOR, LEWIS, AND JARVELA. THOSE VOTING NAY: NONE. MOTION CARRIED.

- E. Consider creating a committee to manage the roundabout beautification as MNDOT leaves it up to the local community—Administrator Hill

Administrator Hill reported that MnDOT and Crow Wing County are almost done with the roundabout project and that the City has been notified that we are responsible for the beautification of the center of the roundabout. There have been several interested people who have reached out to offer assistance with this project. Currently, it has been hydroseeded to eliminate soil erosion issues. There may be MnDOT regulations with the beautification, so we will make sure to keep them apprised. Our goal is to create a welcoming first impression when entering the north side of Crosby. We should reach out to Deerwood Township to see if they are interested in participating in this project. Administrator Hill also recommended forming of a committee of a couple of council members as well as members of the community. We should begin planning during the winter so we can bring a beautification project to Council for approval next spring. EDA funds could potentially help support this project. There is currently a little over \$15,000.00 available in the EDA fund. Mayor Cash has spoken with a couple of potential committee members who may be interested in assisting with this project and Administrator Hill has also been given some names. Administrator Hill expanded on timeline requirements and the need to plan for budgets and design as

well as fundraising with the hope that local businesses would like to partner with us to help cost share. Members Lewis and Traylor both expressed support for forming a committee. Administrator Hill stated that he could send out a notice and then we could populate a list of interested individuals. The deadline to respond will be Wednesday, September 6th. The Council will then appoint an official roundabout beautification committee at the council meeting on Monday, September 11th.

MOTION BY MAYOR CASH AND SECONDED BY MEMBER TRAYLOR FOR APPROVAL OF ADMINISTRATOR HILL SENDING OUT A REQUEST LETTER TO INFORM THE COMMUNITY THAT WE ARE LOOKING FOR INTERESTED CITIZENS TO ASSIST IN THE BEAUTIFICATION OF THE ROUNDABOUT, AND COMPILING A LIST FOR COUNCIL SO THEY CAN MAKE AN APPOINTMENT OF A COMMITTEE TO MANAGE THE ROUNDABOUT BEAUTIFICATIONS AT THE MONDAY, SEPTEMBER 11TH COUNCIL MEETING. A VOICE VOTE: THOSE VOTING AYE: MAYOR CASH, MEMBERS HEGLUND, TRAYLOR, LEWIS AND JARVELA. THOSE VOTING NAY: NONE. MOTION CARRIED.

- F. Consider an increase in the Sanitary Sewer rate by \$.75/1000 gallons due to increase in Serpent Lake Sewer District fees—Finance Committee
- Administrator Hill stated that the Finance Committee met and reviewed our current account statutes regarding our utilities and is recommending an increase in the base fee of the Sanitary Sewer costs of \$.75 to \$13.92/1000 gallons. The sewer district has raised the rates in 2022 and 2023 and in order for the City of Crosby to maintain our reserve, an increase is recommended. Member Traylor stated that we need to keep up with the increases of 2022 and 2023 and we are not doing that. Mayor Cash stated that we have kept our sewer rates level for four years; however, we incurred a big increase in 2022 from Serpent Lake Sanitary Sewer District. She went on to explain that this increase is 100 percent due to the fees that we pay to Serpent Lake; however, that increase did not get passed onto the users. When the rates were increased last year, they were only adjusted for the current increase which happened in 2023, so we were a big increase behind. We need to get caught back up. Member Heglund stated that he disagrees with this increase in rates 100 percent. He went onto state that he is getting calls from taxpayers with some of them telling him this increase will be almost a \$10.00 raise on their bill. Mayor Cash explained that we have a small district and less people to absorb the costs. Member Traylor stated that taxpayers are going to have to pay for this one way or another. Mayor Cash said that our fees include sewer repairs. Because of this the taxpayers are not assessed for projects like the repair on 1st Street N. Member Jarvela also reported the sewer district voted to keep rates level for the upcoming year.

MOTION BY MEMBER TRAYLOR AND SECONDED BY MAYOR CASH FOR APPROVAL TO INCREASE THE SANITARY SEWER RATE BY \$.75/1000 GALLONS DUE TO AN INCREASE IN SERPENT LAKE SEWER DISTRICT FEES.

A VOICE VOTE: THOSE VOTING AYE: MAYOR CASH, MEMBERS TRAYLOR, LEWIS AND JARVELA. THOSE VOTING NAY: HEGLUND MOTION CARRIED.

- G.** Received information regarding Crow Wing County ordinance proposal regulating the use of cannabis and cannabis derived products in public places—Administrator Hill

Administrator Hill reported that Tim Houle, County Administrator, let us know that they will be introducing an ordinance for the county board's consideration that would ban cannabis consumption in public places. There will be a future public hearing to take public comments on the matter. There was a Chiefs' meeting that included our Chief Van Horn to review the draft of the ordinance at their last meeting and they found no issues with the language. They do hope for a change to Section 5 that will clarify penalties and the County's prosecution of violations. No action is needed at this time as everything is very preliminary. Administrator Hill shared that County Administrator Houle encourages anyone with concerns to contact them and share your concerns. Mayor Cash said that we will wait for further information.

- H.** Consider approval of land use permit for additional impervious surface at the Fire Hall—Administrator Hill

Administrator Hill reported that the Fire Department leadership has applied for a land use permit for additional concrete at the Fire Hall. The additional concrete raises issues with the percentage of impervious coverage allowed in the R-1 zone as well as a setback from the neighbor to the east. Public buildings such as the Fire Hall are not listed in our Land Use Categories Chart. The City Council can make decisions as to conditions and standards of land use in the absence of existing ordinance standards, per Section 154.033 of the City Code. The Land Use application and project map are included in the packet for Council review. The Fire Department is asking for approval of this permit to rectify a water drainage problem, create more parking as well as additional snow storage during the winter months. They have spoken with the neighbor to the east to insure that they are in agreement. She does support the additional work. The addition of impervious surface would also allow the Fire Department to improve their ADA parking stall. Mayor Cash asked if the new impervious surface will slope. Chief

DeCent stated yes and that there are gutters on the building for proper drainage. Fundraising efforts would help to pay for this improvement and they have some volunteers who have building skills to assist as well. Administrator Hill informed the Council that this application was reviewed by the Planning Commission and they chose to pass it up to City Council.

MOTION BY MEMBER HEGLUND AND SECONDED BY MEMBER TRAYLOR FOR APPROVAL OF LAND USE PERMIT FOR ADDITIONAL IMPERVIOUS SURFACE AT THE FIRE HALL.

A VOICE VOTE: THOSE VOTING AYE: MAYOR CASH, MEMBERS HEGLUND, TRAYLOR, LEWIS AND JARVELA. THOSE VOTING NAY: NONE. MOTION CARRIED.

I. Low bids on water heaters at the Hallett Community Center—Administrator Hill

The water heaters need to be replaced for the bathrooms and locker rooms. There have been over 20 documented leaks identified and patched over the years. The holding tank is also currently leaking from the base which can no longer be repaired. Mr. McLaughlin has requested quotes for both tank heaters and on-demand heaters. According to Minnesota Energy, we will save approximately \$500 a month by changing over to an on-demand system as they are more efficient. On-demand water heaters are also less expensive than tank heaters with the same life span. Rice Lake was the low bid at \$30,500.00. HCC currently has a \$20,000.00 annual levy allocation in the budget and would like to use this allocation for this project. Administrator Hill also received confirmation of a Sourcewell grant for \$10,000 that he applied for and can be applied toward the water heaters. The final \$500 will come out of the professional services account for the Hallett Center.

The new on-demand water heaters will provide consistent hot water for HCC customers.

MOTION BY MEMBER HEGLUND AND SECONDE BY MEMBER JARVELA TO APPROVE THE LOW BID FROM RICE LAKE FOR NEW ON-DEMAND WATER HEATERS FOR HCC FOR \$30,500.00.

A VOICE VOTE: THOSE VOTING AYE: MAYOR CASH, MEMBERS HEGLUND, TRAYLOR, LEWIS AND JARVELA. THOSE VOTING NAY: NONE. MOTION CARRIED.

8. Reports

A. Fire Department Report

Mayor Cash asked if campfires are currently o.k. Jay DeCent confirmed that they are. He also reported that they will have a truck at the Heritage Days celebration for the kids.

B. Hallett Community Center Report.

Mr. McLaughlin reported that Natalie has been working to apply for a grant called a Sliding Scale Scholarship for lower income families that cannot afford a membership. They can sign up with us with proof of being low income and they would then be reimbursed for their membership, similar to what an insurance company would do. This will help HCC to reach more people and they are working with a company right now that is family based and still meets the criteria of the grant. Natalie was accepted for this grant and is now on Phase 2 of this grant for Crosby and the surrounding communities. Kids camp is still going. The Ducks Unlimited event and RC racing will both be held in September. A chili cookoff is currently still in the planning stages.

C. Library Report

Administrator Hill stated that he will try to answer any questions on the Library report with Ms. Smith was absent. The Library Committee Board meetings are on the last Tuesday of the month.

D. Police Department Report

Sargent Mount was in attendance due to Chief VanHorn being absent. Mayor Cash asked if the trucks were here yet and if they would come detailed. Sargent Mount stated that they are hoping they will be here this week and that they will not come detailed but that the decals are printed out and ready to go. Member Heglund said he has received very good reports on the police going down to the boat landing in the last couple of weeks. Member Heglund had also talked to some bar owners and they are happy about the increased patrolling of the alleys after the bars close down at night.

E. Public Works Department Report

Mr. Lueck wanted to report further on the boat ramp project. The Lake Association has reached out to Public Works and wants to partner with us on signage regarding why the boat ramp work was necessary and a sign informing people not to power load.

Member Lewis had a question regarding the sidewalks. He noticed a gap and wanted to know if the dirt work was our project or that of the contractor by the Library. Mr. Lueck said that it was included in the scope of work but there could have been a washout. Member Lewis asked Mr. Lueck to take a look at it. Member Traylor asked where the seed and grass are coming from for this project. Mr. Lueck said he will have to look back at the proposal. Member Traylor stated

that he already had and that it is not listed in there. Member Traylor said that we should either be seeding or we should require the contractor to do it. He also stated that Shane's Auto still needs to be filled from over two years ago. Member Traylor said that we have to stay up on these sidewalk projects.

Member Heglund wants to see the painting of yellow on curbs completed in town. He wants it done before school starts. Mr. Lueck questioned what yellow paint has to do with school buses. Mr. Heglund stated that it is good to have a painted area for the bus to pull into safely. Member Traylor stated that if it should be painted, it needs to be done. Member Heglund went on to state that sidewalks and streets still need vegetation to be trimmed as it is creating obstacles for garbage trucks and pedestrians. Mr. Lueck stated that they have been brushing. Mayor Cash told Member Heglund to review protocol on how to address these issues moving forward. Regarding the 9 million gallons of water treated as reported by Mr. Lueck, Mayor Cash asked if that is a standard month. Mr. Lueck stated that he has just started adding those numbers. Mayor Cash inquired if we are still in a draught. Mr. Lueck clarified that we are. He said that DNR wants everyone to attempt to conserve water. Mr. Lueck is watching but there is only so much that the City can do. January and July numbers were close to the same. Administrator Hill stated that the sewer district flows reflect the water usage.

Member Lewis asked who regulates CTC project work. With the heavy rain last week, it washed a lot of the black dirt out in spots. Administrator Hill has spoken with Elite Underground, who was contracted by CTC for this project, and they will be in town for at least a couple more months. Elite was responsible for the trunk lines to the homes for CTC. They have finished the trunk lines in what was referred to as the alleys and will now be making the connections to the homes. Elite has been quite responsive to far. Administrator Hill stated that he and Mr. Lueck can let Elite know if there are concerns that need to be addressed. The trunk lines are the most destructive part of their work.

F. Mayor/Committee Reports

- i. Open Meeting Laws and Data Practices seminar—Sourcewell
Administrator Hill wanted Council to be aware that Sourcewell will be providing training on Open Meeting Laws and Data Practices on September 7th onsite at the Sourcewell facility in Staples from 9:00 a.m. to 12:00 p.m. and to let him know if they want to attend so he can get them registered. He stated that there is no cost for this training.
- ii. Crow Wing County Highway Improvement Plan—Deerwood Shortcut 2024
Administrator Hill reported on the proximity of Deerwood shortcut, Highway 12 project for 2024. He asked to please be aware that the

shortcut may not be available and that there may be detours and traffic control that may create more traffic in town.

iii. Budget workshop will be Thursday, August 31 at 6:00 p.m. at City Hall

Mayor Cash said that this will be the first look at the preliminary budget for 2024. The final budget is due by September 30th. Once the budget is set on September 30th, we can go down but we cannot go up.

9. Adjournment.

MOTION BY MEMBER LEWIS AND SECONDED BY MEMBER JARVELA TO ADJORN AT 7:25 P.M.

A VOICE VOTE: THOSE VOTING AYE: MAYOR CASH, MEMBERS HEGLUND, TRAYLOR, LEWIS AND JARVELA.

THOSE VOTING NAY: NONE, MOTION CARRIED.

Diane Cash, Mayor

Jim Traylor

Acting Mayor

Dianne Howard

Dianne Howard, Administrative Assistant