

Pursuant to due call and notice thereof, the Regular Meeting of the Crosby City Council was held on Monday, November 10, 2025, at 6:00 p.m.

Members Present: Mayor Diane Cash; Members Jim Traylor, Paul Heglund, Vern Lewis and Shawn Jarvela

Staff Present: Administrator Trish Harren; City Attorney Joe Langel; Fire Chief Shayne Jacobs; PW Working Foreman Tony Ferrari; Head Librarian Abby Smith; Administrative Assistant Dianne Howard. Excused staff: General Manager Joe McLaughlin, Police Chief Mike VanHorn.

1. Call Regular Meeting to Order

The regular meeting of the Crosby City Council was called to order by Mayor Cash at 6:00 p.m.

2. Pledge of Allegiance

Mayor Cash led the Pledge of Allegiance

3. Approval of Agenda

MEMBER HEGLUND MOVED TO APPROVE THE AGENDA. MEMBER TRAYLOR SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

Mayor Cash asked for a moment of silence in honor of Veterans' Day.

4. Approve Consent Agenda

- a) Accept Donations and Acknowledge Donors
- b) Approve Minutes
- c) Approve Claims
- d) Receive October Financial Statements
- e) Approve Permit for CRMC Annual Holiday Fireworks Display
- f) Approve Step Increase for non-union substitute librarian position
- g) Approve Administrative Division Job Description Changes
- h) Authorize filling the Deputy Clerk Position
- i) Accept request for Special Event Refund

MEMBER LEWIS MOVED TO APPROVE THE CONSENT AGENDA. MEMBER JARVELA SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

Mayor Cash thanked all who gave donations this past month.

5. Public Comments—None.

6. Public Hearing for Unpaid Nuisance Charges and Unpaid Utility Charges

MAYOR CASH MOVED TO OPEN THE PUBLIC HEARING FOR UNPAID NUISANCE CHARGES. MEMBER TRAYLOR SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

Administrator Harren explained that each year at this time the City holds a public hearing on unpaid fines issued against property owners for nuisance violations. The public hearing is an opportunity for Property owners to provide comment. Following the public hearing, Council passes a resolution certifying any unpaid/unresolved nuisance fines for assessment against the property.

Mayor Cash invited members of the public to speak regarding unpaid nuisance fines.

Brett Masters, 120 3rd Avenue NW, expressed his disagreement with the nuisance violation citations cited and the process the city uses to address nuisances. Nuisance Enforcement Officer Jeff Miller provided information related to the violations. Discussion continued.

MAYOR CASH MOVED TO CLOSE THE PUBLIC HEARING FOR UNPAID NUISANCE CHARGES. MEMBER LEWIS SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

MAYOR CASH MOVED TO OPEN THE PUBLIC HEARING FOR UNPAID UTILITY CHARGES. MEMBER TRAYLOR SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

Administrator Harren explained that each year at this time the City holds a public hearing on unpaid utility bills. Property owners may provide comment. Following the public hearing, Council passes a resolution certifying any unpaid/unresolved utility fees and fines against the property. No residents provided comment.

MAYOR CASH MOVED TO CLOSE THE PUBLIC HEARING FOR UNPAID UTILITY CHARGES. MEMBER TRAYLOR SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

7. Public Hearing on SE Alley Improvement Assessments

Engineer Martin went through a presentation on the background on the SE Alley improvement project including how the assessment process works. Martin detailed the project timeline, scope and financing. The total project cost was \$4,258,440.36. The city secured \$2.8 million in clean water and drinking water grants; a \$400,000 grant from the

IRRRB for project related storm water improvement expenses; and approximately \$1 million in public finance bonds. \$299,211.03 of the project cost is funded through property assessments based on state statutes and a formula detailed in the City Assessment Policy.

The Public Hearing today is to provide an opportunity for impacted property owners to provide comments on the improvement project assessments. Notifications were sent out to affected property owners detailing their assessment and how the amount was determined.

MAYOR CASH MOVED TO OPEN THE PUBLIC HEARING FOR THE SE ALLEY IMPROVEMENT ASSESSMENTS. MEMBER LEWIS SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

Janet Smith, 127 1st Street SW and 2nd Avenue, stated that she believes her assessment was fair.

Bonnie Boyd, 213 2nd Street SW commented on hardships endured because of the project as well as financial hardship she would have in paying the assessment. Ms. Boyd asked what her options for funding assistance may be.

Engineer Martin referred to the deferment process he had outlined in his presentation. Council at its discretion may defer assessments to homeowners who are 65 years or older, retired due to a permanent or total disability, Member of National Guard or other reserves ordered to active military service for who it would be a hardship to make the payments.

City Attorney Joe Langel explained that a valid objection to an assessment must demonstrate that the assessment cost exceeds the benefit to the property owner and are not related to financial hardship.

Engineer Beadell provided additional information on Ms. Boyd's project.

MAYOR CASH MOVED TO CLOSE THE PUBLIC HEARING. MEMBER HEGLUND SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

8. Old Business

- a. Discuss Pierce Saber TM Pumper Fire Truck Lease to Purchase Agreement

Administrator Harren provided a summary of this matter as it was postponed from the last Council meeting.

The Crosby Fire Department's main 2002 fire pumper truck is nearing the end of its life. It takes approximately 1 year from the time of order to complete the building of a new truck. The cost to purchase a new truck is approximately 1.2 million dollars. The city has the opportunity to purchase a new fire truck for \$830,000 because it was ordered but the sale fell through.

Financing was discussed. Options include lease to purchase and general obligation equipment certificates. Council agreed to postpone action to receive further information from our financial consultants before proceeding.

Council discussion continued. Attorney Langel advised that a motion would have to be made to table this matter and postpone further discussion until a later meeting.

MOTION BY MAYOR CASH TO TABLE THE DISCUSSION OF THE PURCHASE OF A PIERCE SABER TM PUMPER FIRE TRUCK. MEMBER LEWIS SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

9. New Business

- A. Discuss/Approve Resolution 2025-31-1110 Certifying Assessments for Unpaid Nuisance Fines

MEMBER LEWIS MOVED TO APPROVE RESOLUTION 2025-31-1110 CERTIFYING ASSESSMENTS FOR UNPAID NUISANCE FINES. MEMBER TRAYLOR SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

- B. Discuss/Approve Resolution 2025-32-1110 Certifying Assessments for Unpaid Utility Bills

MEMBER HEGLUND MOVED TO APPROVE RESOLUTION 2025-32-1110 ADOPTING ASSESSMENTS FOR UNPAID UTILITY BILLS. MEMBER JARVELA SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

- C. Discuss/Approve Resolution 2025-34-1110 Certifying Assessments for SE Street and Utility Improvements

Engineer Martin asked if the Council would like to approve the assessments as presented. Martin noted that sanitary and watermain improvements expenses were approximately \$400,000 less than the \$2.8 million combined clean water and drinking

water grants. The city has the option to put the remaining grant funds toward the overall project cost or apply 75% of the remaining grant toward the project costs and apply 25% toward assessments. Council discussed the two options.

MAYOR CASH MOVED TO APPLY THE REMAINING GRANT DOLLARS TOWARD THE CITY'S 75% PORTION OF THE PROJECT, WHICH WILL BENEFIT ALL OF THE TAXPAYERS IN CROSBY. MEMBER LEWIS SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

MAYOR CASH MOVED TO ACCEPT RESOLUTION 2025-34-1110 CERTIFYING ASSESSMENTS FOR THE SE STREET AND UTILITY IMPROVEMENTS AS PRESENTED. MEMBER LEWIS SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

Official certification is delayed by 30 days to allow property owners the opportunity to pay their assessment in full in lieu of it being certified on their property taxes.

- D. Discuss/Approve Final 2022 Crosby Infrastructure Improvement Pay Request

MEMBER HEGLUND MOVED TO APPROVE PFA DRAW #16—FINAL FOR 2022 1ST STREET SW AND 4TH STREET NE IMPROVEMENTS. MEMBER TRAYLOR SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

- E. Discuss/Approve SE Alley Improvement Project Change Order No. 3 and No. 4

Change Order No. 3 is related to the removal of bituminous wedges that were placed in the fall of 2024 to protect curb edges after Council directed delay of placement of final lift. Cost is \$5,750.

Change Order No. 4 was for extra work claims by the contractor including modification to water service installation; delay due to prolonged difficulty shutting down the water system due to City valves not working; and extension of storm water Block 1 of the north alley to address drainage concerns. The amount is \$53,403.80.

MEMBER TRAYLOR MOVED BY APPROVE CHANGE ORDER NO. 3 AND CHANGE ORDER NO. 4 FOR THE SE STREET AND UTILITY IMPROVEMENT PROJECT. MEMBER HEGLUND SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

- F. Discuss/Approve SE Alley Improvement Project Pay Request No. 10

MEMBER LEWIS MOVED TO APPROVE PAY REQUEST NO. 10 FOR THE SE ALLEY IMPROVEMENTS IN THE AMOUNT OF \$387,908.15 TO RYAN CONTRACTING, WHICH INCLUDES CHANGE ORDERS NO. 3 & NO. 4. MEMBER JARVELA SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

G. Discuss/Approve Amendment 2025-5 to Chapter 116--Cannabis Business

Administrator Harren stated before council is a request to approve an amendment to Ordinance 2025-5, amending Chapter 116, Cannabis Business, to add the requirement for registration of lower-potency hemp edible retailers with the City to adhere to recently changed State requirements. Staff are also requesting that the corresponding addition of a \$125.00 fee for LPHE registration be approved and added to the official fee schedule.

Attorney Langel stated that council could also authorize publication a summary of the ordinance change versus the full text of the ordinance through a motion.

MEMBER TRAYLOR MOVED TO APPROVE ORDINANCE 2025-5 AMENDING CHAPTER 116, CANNABIS BUSINESS AND TO PUBLISH THE ORDINANCE SUMMARY. MEMBER HEGLUND SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

H. Discuss/Approve Registration LPHE Fee and Add to Fee Schedule.

MEMBER LEWIS MOVED TO APPROVE THE LPHE REGISTRATION FEE AND ADD THE \$125.00 FEE TO THE FEE SCHEDULE. MEMBER HEGLUND SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

I. Accept Sourcewell Impact Funds and Authorize Ordering Radio Equipment

FD Chief Jacobs reported that he had submitted a Sourcewell application to Sourcewell to fund \$50,000 toward the expense to upgrade their radio equipment.

The total project cost is \$80,431.40. Sourcewell will fund up to \$50,000.00. The City's portion of \$21,474 will be funded from the Fire Department Donation Fund.

MEMBER JARVELA MOVED TO ACCEPT SOURCEWELL PUBLIC SAFETY IMPACT FUNDS IN THE AMOUNT OF \$50,000.00 AND AUTHORIZE THE FIRE CHIEF TO PURCHASE THE SPECIFIED RADIO EQUIPMENT FOR \$80,431.40. MEMBER TRAYLOR SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

J. Accept Sourcewell Impact Funds and Authorize Ordering Bobcat Track Loader

City Administrator Harren submitted a Match Funds application to Sourcewell to purchase a new Bobcat Compact Track Loader. The City received \$40,000.

The total project cost is \$80,505.57. Sourcewell will fund up to \$40,000.00. The City's portion of this purchase would be \$40,505.57. Funding for this purchase would come from the 2025 Capital Improvement Levy.

MEMBER HEGLUND MOVED TO ACCEPT SOURCEWELL MATCH FUNDS IN THE AMOUNT OF \$40,000.00 AND AUTHORIZE THE PURCHASE OF THE 2025 BOBCAT COMPACT TRACK LOADER. MEMBER TRAYLOR SECONDED THE MOTION. THE MOTION PASSED BY A VOTE OF 5-0.

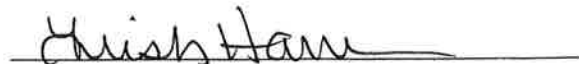
8. Reports

- a. Police Chief—report submitted.
- b. Fire Chief—report submitted. FD Chief shared that Turkey Bingo is coming up and that raffle tickets available.
- c. Hallett Center—report submitted.
- d. Library—report submitted. The sign at the Library is still not working consistently. Dutch Electric is working on this issue but we may have to contact the sign company. It is a work in progress. Jingle Books begins on November 20th. Hallett Trust is providing a matching grant of \$15,000.00
- e. Public Works—report submitted. Member Heglund expressed appreciation for the potholes repair and winterization preparations completed by the Public Works crew and inquired as to when the Cemetery would be staked. Mayor Cash requested the alley near the railroad on the north side of 3rd be cleared. Member Lewis noted he had received requests to replace weathered flags on Main St. There was council discussion on the timing of putting up Christmas decorations.
- d. City Administrator—no report. Administrator Harren thanked FD Chief Jacobs for his grant writing allowing the Fire Department to get new radios at no cost to the taxpayers. Harren noted that the Crosby HRA needs another member. Administrator Harren expressed appreciation to Crow Wing County as well as our local election judges for assistance with the November 4th special election.

- f. Mayor/Committee Reports—Mayor stated that Crow Wing County wants to add a kiosk at Plaza Park. Member Lewis was glad that the flashing lights are up at the four-way stop.



Diane Cash, Mayor



Trish Harren, City Administrator