

Town of Crystal Bay

Regular Board Meeting
Finland Community Center

Minutes

August 20th 2024

I. **Attendance:** Douglas B. Perfetto, Terri Perfetto, Tim Luoma (LCSO), Ben Goutermont (LCSO), Randy Josephson, Joe Jacobs, Nancy Hart, Harriet Moen, Jacqueline Gomez, Floyd Baker, Charles Cook, Mike Nikula, Kaare Melby, Diane Lindberg, Eric Lindberg, Lindsey Klemmer, Ben Klemmer, Matt Morris, Lisa Topp, Nancy Anselment-Olson, Lisa Tibbets, Judith Martell, Elaine Loeffler, Roger Peterson, Randy Duke, Amy Nikula, Pam Jonson, Heather Deyette, Sarah Cagley, Jon Nelson, David Geist, Pam Melby, Joan Anderson, Teresa Anderson, Krista Starkovich, John Ramos, Camila Ramos, Danielle Hefferan, Sarah Mayer, Shelby Robach, Lise Abazs, Kelsie Williams, Rachel Fleming, Paul Deaner, Vaughn Hoff, Brandon Swanson, Cory Holden, B.J. Kohlstedt, Jonathan Beauchane, Terry Miller, Ira Gray, Andres Gomez, Arlene Conzelman, Anna Lasky, Stacy Breden.

A. Supervisor Hartshorn called the Regular Meeting of the Crystal Bay Town Board to order at 7:00pm Pledge of allegiance.

B. MOTION: To approve August's Regular Meeting Agenda. Motioned by Supervisor Nikula, Seconded by Peterson Supervisor, Passed by unanimous consent.

C. MOTION: To approve the Regular July Meeting Minutes. Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.

D. MOTION: To approve July 30th's Special Meeting Minutes. Motioned by Supervisor Peterson, Seconded by Supervisor Hartshorn, Passed by unanimous consent.

E. MOTION: To approve August 13th's Special Meeting Minutes Motioned by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent.

F. Treasurer Report:

1. As expected, we received the bulk of our tax apportionment payment this month, \$117,268, about 60% of the total levy. This is the Township's primary revenue source, and it comes from Property Taxes, State offset payments such as Fiscal Disparities and Severed Mineral Rights, and the Taconite Production Tax, which is the proceeds the township receives from taxes on the mining industry. We also received a State Township Aid payment (\$2693) which is supplemental funding provided by the MN Dept of Revenue to local governments.
 - Last year, we received the tax apportionment in June instead of July, which explains the income difference in the comparison report this month.
2. Expense
 - General Government - Supervisor (\$1368) and Treasurer (\$858) monthly payroll were as expected. Clerk monthly payroll (\$10,692) included significant overtime that will be discussed in the Clerk's report.
 - Road & Bridge - Equipment expenses (\$1403) were primarily for fuel and annual fire inspection. Payroll (\$6510) is similar to last month but higher than budgeted.
 - Clair Nelson Center - includes lawyer fees for contract consultation (\$807) and work on the ballfield (\$2143)
 - Housing - ongoing project costs (\$1333), there is ~\$4000 in remaining grant

funds currently allocated for this project.

- Cemetery - payroll (\$358) and maintenance (\$219).
- Other - annual insurance payment (\$8741).
- July expenses (\$36,272) were significantly higher than this year's monthly average so far (\$23,147), primarily due to payroll overtime and the one-time insurance payment.

3.July things to note in the Balance Sheet:

- The tax and intergovernmental revenues are distributed proportionally to each of the Township funds based on the annual levy.
- The General and Road & Bridge fund balances are still in the negative, even after this month's deposits. These are subsidized by surpluses in other funds, but this issue needs to be addressed with cost reductions or tax increases.
- Overall checking is \$155,879. Theoretically, this amount can cover approximately 6 months of current average costs, but only 4 months of costs based on July's spending.
- Our remaining tax apportionment payment (~\$65,000) will arrive in November or December, so cash flow is sufficient for the near future.
- The Savings accounts are primarily restricted funds (\$30,039) that are not available for general expenses.
- The Community Loan (\$7,017) is on hold for now.
- We owe \$150,913 on the Grader Loan.

MOTION to approve Treasurer's Report Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent.

G. Special Spending Claim & Contractor Cost

1. MOTION to approve the claim for the remaining 300 hours of Doug Perfetto's Compensatory time totalling \$7,125.00 Motioned by Nikula Supervisor Peterson , Seconded by Supervisor , Passed by unanimous consent.
2. Gregg Field Dugout Contractor Work totalling \$8,225.00 MOTION to approve the following Contractor Claims: Eric Lindberg \$1900.00, Tom Klinker \$1900.00, Michale Klinker \$2050.00 and Randy Josephson \$2375.00 Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent.

H. Review & Approve August's regular monthly bills

1. MOTION to approve August's monthly bills for a total of \$11,391.38 Motioned by Supervisor Peterson , Seconded by Supervisor Nikula, Passed by unanimous consent.

I. Review & Approve August's regular monthly pay claims

1. MOTION to approve August's regular monthly pay claims totalling \$16,033.70 Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent.

J. Board signs July's approved job descriptions

1. Road Superintendent
2. Roads Worker
3. Supervisor

K. Board reviews correspondence from Town

II. Reports (5 minutes each)

A. Clerks Report: Stacy (full report attached to final minutes)

1. Roads Superintendent, Board Chair, Board Vice Chair, Board Supervisor all sign job descriptions for repective files.
2. MOTION: Town Clerk is not subject to overtime pay. Straight pay @ current rate of \$33.00 an hour applies to all hours worked over 40 hrs in a work week.
Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent.

B. Budget Update: Lise (full report attached to filed minutes)

Lise asks for the board to keep an eye on the monthly spending in payroll with Road and Bridge and General Fund (Clerk). Maybe check in with them weekly, Lise suggests taking on some of Stacy's tasks, or hiring additional support staff.

C. Supervisor Update

D.. Road and Bridge: Doug

1. Trout unlimited is putting in the second culvert on Silver Hill Drive, it should be covered by FEMA since its our materials.
2. Riverside Drive, Breezy and Hefflefinger are shaping up. Roses and Nikolai Road will start next week. Klinker Road will be worked on by Winter.
3. Steve Bemlott last minute letter to board (full letter filed with final minutes)

I own a property located at 6644 Roses Road in Crystal Bay Township, MN. I have been away from the property for a period of time, but upon my return in early May 2024 I immediately noticed that approximately half of Roses Road leading to my property has not been maintained by Crystal Bay Township, for what appears to be a significant amount of time, perhaps many years. The affected area runs from approximately the beginning of property ID # 27-5707-23810 (6635 Roses Road owned by Arlyce Duggins) and on through to the entrance to my property ID #27-5707-23190 (6644 Roses Road).

Steve did some work to the road and submitted a bill with his letter to the board. Please see attached invoice in the amount of \$1,124.38 for the work I performed. Steve would like correspondence within 10 days

- a. Clerk addressed the board to note that Steve's request for a response falls before our next meeting so would like to know what response to send him.
- b. Paul read a statement from May when Clerk Breden reached out asking the Legal Council what to do in the event there was unauthorized work done to the road.
The Township has power to allocate funding and has a limited budget. No one has the right to alter Township roads without prior approval from the Town Board. It could be considered a crime if the Town chooses to press charges. Rural areas are pretty protected when it comes to town roads and this sort of thing.
- c. Supervisor Hartshorn advised Clerk Breden to send Mr. Bemlott a letter stating that the Town declined payment to him, because he did not gain proper approval before altering the Township Road.

E. Cemetery: Vaughn & Mike on Veterans Project.

1. Military Markers placed and Lawn Mowing.
Brad and Susan Anderson donated their time in the removal of the Old Veterans Memorial.
2. Eric Lindberg, and Gary Olson working on a new Kiosk for the Veterans.
3. Supervisor Nikula Thanks the volunteers.

. G. Clair Nelson Community Center: Friends of Finland (full report attached to final minutes)

1. Financial Report
2. Building Report
3. Friends of Finland Youth Program

H. . Housing Project: Stacy

1. Steering Committee Recommendation Letter
2. Discussion on appointing Lise Abazs as Interim Outreach Coordinator for the Finland Home Solutions Housing Project.
 - a. MOTION to approve Resolution No.082024A Conflict of Interest with Officer for Outreach Coordinator for the Finland Home Solutions Housing Project. Motioned by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent.
 - b. MOTION to approve Outreach Coordinator for the Home Solutions Housing Project Contract naming Lise Abazs as Interim

.Motioned by Supervisor Nikula , Seconded by Supervisor Peterson, Passed by unanimous consent.

3. MOTION to approve the hour edits to Rachel's Grants and Partnerships Contract Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.
4. MOTION to approve the edits to the Steering Committee contract taking Mike Nikula's name off as Outreach Coordinator and naming Lise Abazs as Interim Coordinator Motioned by Supervisor Peterson , Seconded by Supervisor Nikula, Passed by unanimous consent.
5. Housing Budget Report: Lise (full report attached to filed minutes)

III. Old Business

A. Septic Update:

1. Meeting with IRRRB and Paul on Tuesday August 13th yielded the news that we are looking at a release of our funds later than expected for sure by December 31st. This delay is due to bonding sales IRRRB needs to do to acquire the funds. We were instructed not to start on the project as it could jeopardize the process. We will not be able to start this project until Spring 2025.
2. MOTION to accept RESOLUTION 082024 Authorizing Crystal Bay Township to make an application to and accept Grants from IRRRB Bonds Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent.
3. We plugged off tank 1 from the rest of the system last month due to ground water back flowing into tank one. We are not taking on groundwater now. We are currently operating off a 2500 gallon holding tank (tank 1) not the 7,000gal (3 tank system set up) . That is why there are porta potties outside and the bathrooms are out of use inside.
4. I have a call into Eric Warnecke to see if he can get us a quote for the pipe fix between pipe 1 and 2 to help us limp along this winter should the County agree to let us stay open. IRRRB was ok with this since it is not the current project. There is no guarantee that this expense would be covered but we can try.
5. Matt Huddelston and Christine McCarthy have talked and Planning and Zoning Stipulations are:
 - a. No Permit needed as long as we call with a date Eric Plans to be digging so they can send someone out.
 - b. Keep all pumping records and keep pumping as is.
6. How do we want to handle this pipe fix project?
 MOTION Paul can approve up to \$2500 dollars to approve Eric Warnecke
 Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent.

B. Friends of Finland Update:

1. We have an extension in place until October 22nd.
2. MOTION to approve the First Amendment to the Extension re: RV DUMP funds being relinquished to the town. Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent.
3. When Supervisors passed that motion last month to take turns attending monthly F.O.F (Friends of the Finland) Meetings there was no stipulation on if that was to be a meeting stipend for that Supervisors are fine with donating their time for meetings.

C. MOU discussion:

1. Crystal Bay is spelt wrong in the first bullet point.
2. Township doesn't want to pay for a permit No
3. New Negotiations should take place in May or June of Next year before Lake County Transportation ends.
4. 30 days notice instead of two month
5. Crystal Bay Township wants indemnification?
6. Crystal Bay wants Cameras installed at the Trailer site by Fire Hall?

7. Crystal Bay would like the document signed by Lake County before signing.

8. The Town Board asks for a sign that says don't leave trash.

Community input:

Mr. Jacobs asks if there is a County Code Crystal Bay or Lake County could enforce for illegal Dumping of trash if that were to become a problem, and how to go about that. He also mentioned a High Resolution Camera, and contacting the Sheriff's Office to help prosecute.

D. FEMA Update:

1. Individual Assistance has come around if you have any questions please ask me after the meeting.

I have not been contacted yet by our FEMA representative.

MOTION to accept the Roads Maintenance Policy Motioned by Supervisor Peterson , Seconded by SupervisorNikula , Passed by unanimous consent.

2. BJ updates: Likely to imburse gravel equipment hours, employee time.

Materials between 18th and end of July 5,184 in gravel

Equip 15,000 in equipment hrs.

June July and Aug 11, 246.00

June July 14th- 4,244.00

Total so far is 36, 197 and 39 cents. Board Thanks B.J.

E. Discuss scope of work and price point to ask for assistance from Lake County in interim for 6/18/24 FLOOD B.J. will return to September's meeting with more figures to continue the discussion.

F. Part Time Grounds and Maintenance Worker:

1. MOTION to hire Paul Hartshorn as fill in Grounds Worker @ Clair Nelson Center for \$20.00 an hour.

Job Description on file and Affidavits with Conflict of Interest to be filled with each pay claim.

Motioned by Supervisor Peterson , Seconded by Nikula ,Supervisor Hartshorn Abstained

Motion carried.

2. MOTION to hire Mike Nikula to fill in Grounds Worker @ Triangle for \$20.00 an hour.

Job Description on file and Affidavits with Conflict of Interest to be filled with each pay claim.

Motioned by Supervisor Peterson , Seconded by SupervisorHartshorn , Supervisor Nikula Abstained, Motion carried

G. MOTION to hire Paul Hartshorn as fill-in garage worker. Job Description on file and Affidavit with Conflict of Interest to be filled with each pay claim. Motioned by Supervisor Nikula , Seconded by Supervisor , Peterson , Supervisor Hartshorn Abstained, Motion carried. Hartshorn Abstains

IV. New Business

A. Wild Rice Storage Contract with Friends of Finland

1. MOTION to accept Wild Rice House Contract Motioned by Supervisor Hartshorn , Seconded by Supervisor. Nikula Passed by unanimous consent.

B. Lake County Cannabis Notice Address Board:

1. No Comment

C. Due to Paul's conflict of interest with his work filling in for Part Time Roads Worker Doug needs a different point person (Supervisor) on the board.

1. Both Supervisor Nikula and Peterson will be point persons.

D. Friends of Finland Statement - Danielle

Over the past month Friends of Finland has sought outside professionals to investigate how complaints were handled back through 2019. As an outcome of the investigation - We have already taken steps to implement improved policies and processes like an official internal/external grievance procedure, and a Whistleblower Policy. We are developing other policies in relation to child protection and code of conduct. Due to an amounting trust gap between the organization and the communities we serve, the board has

decided to terminate the employment of Honor Schauland. We are grateful for all the work Honor has dedicated to this organization and her resulting community services. We do not take this decision lightly and we are committed to rebuilding trust in Friends of Finland.

V. Public Concerns:

The board chair reads the rules for public concerns: everyone will have 2 minutes maximum to speak. Please use your time to address the Town Board on your concerns pertaining to the Township. The Board of Supervisors will not tolerate this time to be used to defame anyone's character and reserves the right to ask you to pass on your time if you choose to do so.

- A. Gary Olson: I'm a longtime resident of Crystal Bay Township. It's a very sad day. In regard to what took place at the regular township meeting in July, it was obvious to me that people had organized a campaign to smear Honor Schauland's character and reputation as the director of Friends of Finland. I found the confrontation towards Honor personal, vindictive, and humiliating. It was very disturbing to watch. Honor deserves better treatment than this. She has served this community well, with excellent skills and grant-writing, fundraising, organizing events, and having her heart in the community and community building. In closing, I would like to add that Honor is a great ambassador for this township and the Finland community, and she was a person who could build bridges among people of all types that represent our community"
- B. Nancy Anselment-Olson: Much of what happened at the township meeting in July was unfair, hateful, and possibly even illegal. It was an attempt to completely smear the reputation and cast doubt on the character of two people in the Friends of Finland. It was meant by some to be divisive and destructive. There are people who don't live in this community that want to take control over decisions that are made here, yet they have no stake in the outcome. They just want to win a years-old vendetta by insisting that the behavior of one individual proves he is a sexual predator, rather than considering any other motivations. I accept that his work in the youth program is over. Major errors in judgment were made, but the public has heard mostly a one-sided story and it paints a very inaccurate picture of the truth. Unfortunately, because of legal considerations, the facts can't be presented at this time. I just ask that people reserve judgment of the accused until the legal process is completed. I love this community. It's a community that has stood by me during really tough times. When all of this is done, I hope we can find a way to heal.
- C. Paul Deaner- 30 year Township resident states; . Honor is someone I love and I'm so saddened by this. I wanted to see the process play itself out. Apparently, it has. The Friends of Finland have done their due diligence and made a decision. Andrew is a friend of mine. I had a great working relationship with him last winter. Very saddened to hear what happened. I read the newspaper articles and I got the hit sheet from the county. I'm the son of a cop, so I understand law and order and the rule of law. But I'm just really saddened about that. I care about the guy and God knows what's going to happen to him now . I know a lot of shit went down. I heard about it. I get it. But Honor and Andrew. I'm just feeling pretty bad. But thank you for listening, everybody. Nancy, you were right, at some point, maybe it'll be a healing thing. Maybe. Maybe not. This is part of it. It's a wonderful community. This is how you deal. We're a family, we gotta deal with the shit, too. So thank you.
- D. Matt Morris: I was born and raised here and I am a parent. I'd like to say thank you, thank you, thank you to Deputy Jack Dietz. Thank you, Jack. While Jack was on duty, he witnessed an event, the second week of June ... that he knew was not right. And Jack took the appropriate measures. Thank you, Jack. Jack's part in the matter is now, for the most part, kind of done. The matter isn't done—far from done—and the next phase of this matter is going to involve a lot of people who are sitting in this room right now. And I can only hope that the people, all of us, use Jack as a role model and do what is right. That's my only hope. I thank the board and I thank Jack Dietz.

VI MOTION: to adjourn the meeting at 8:56 pm pm until September 17th , 2024 at 7:00 p.m. at the Finland Community Center.

Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent.

Financial Report on the Town money to date:

- Friends of Finland has allocated Crystal Bay Township's contributions to hourly wages and taxes for the Operations Manager, Custodian, and Landscaper as well the employee benefit Health Reimbursement Account (QSEHRA) expense for the Operations Manager and Custodian so far this year.
- Friends of Finland has allocated a total of \$20,000 in expenses to Crystal Bay Township's \$20,000 contribution as of June 2024, of which \$10,000 has been received by the Friends of the Finland Community.

Building Report:

- The roof flashing needed for the pizza oven chimney does not exist for that specific brand. We will either need to have a specific flashing manufactured for our situation, or we will need to have a small box opening built through the roof, clad in cedar, to square off and level the opening in the roof. Then install a flat roof flashing on top of that box. Currently seeking contractors for bids.
- An estimate has been received for installing the pillar footings necessary to install the support poles for the pavilion awnings. Upon approval of the bid, construction should begin in September.

Overall Youth Program Update:

- Number of Youth Attending

July 2024 weekly youth attendance #s:

July 4	17 youth/4 Staff/1 snack/2 volunteers
July 11	26 youth/6 Staff/1 Snack/1 volunteer
July 18	27 youth/6 staff/1 snack
July 25	33 youth/3 staff/1 snack/2 core staff volunteers

- Any Youth Program Issues?

Township of Crystal Bay-

The Finland Community Youth Program is making some adjustments. Here are some of the most recent changes:

Sign Out Policy: Every night we keep a list of each child that attends that evening. We are starting a sign out policy at the end of the night when it's time for kids to leave. Parents/guardians will be asked to sign their name when they pick up their kid(s). This way we know who each child leaves with.

Youth Night Activity Structure: We are now **splitting the gym** and keeping bikes on one side so other activities can happen safely. The **end of the night game** will not be something the kids vote on and decide anymore as it caused too much uproar between them. Now the staff will have a game decided each night. There is also the option for the kids to play a **less hectic game in the art room** if the main game is too much energy for them.

Other Policy Updates To Come: The Finland Community Youth Program has been working on updating our policies. This is a work in progress but we hope to have this completed before too long.

July 2024 weekly youth attendance statistics:

July 4	17 youth/4 Staff/1 snack/2 volunteers
July 11	26 youth/6 Staff/1 Snack/1 volunteer
July 18	27 youth/6 staff/1 snack
July 25	33 youth/3 staff/1 snack/2 core staff volunteers

-Arlene, for The Finland Community Youth Program