

# Town of Crystal Bay

Regular Board Meeting  
Clair Nelson Community Center  
6866 Cramer Road Finland, MN 55603

## Minutes

December 16th, 2025

### I. Attendance:

- A. Supervisor Hartshorn called the Regular Meeting of the Crystal Bay Town Board to order at 6:00 pm with the Pledge of allegiance.
- B. MOTION: To approve the December Regular Meeting Agenda with the amendment to add attendance. Motioned by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent.
- C. MOTION: To approve November's Regular Meeting Minutes. Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.
- D. MONTHLY TREASURER'S REPORT: (See attached report)  
MOTION: To approve the Monthly Treasurer's Report. Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.
- E. MOTION to approve December's bills for a total of \$ 22,432.14,432.14 Motioned by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent.
- F. MOTION to approve December's regular monthly pay claims for a gross total pay of \$7,409.22 Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent
- G. Board reviews correspondence from Town

### II. Reports (5 minutes each)

- A. Clerk's Update: (See report)
  - a. Town Hall Septic - Roger would like to meet with Eric one more time in person before following up with a written letter making specific demands. Prioritize getting the \$30K bill submitted correctly at this time.
  - b. Backhoe Repair - Motion to repair the backhoe immediately for a maximum of \$14,000. MOTION by Supervisor Peterson, Second by Supervisor Hartshorn, Passed by unanimous consent.
  - c. Road Assistant - Board directs Clerk to post classified advertisement for Part-time Road Worker position for two weeks in North Shore Journal, and post again at Finland Coop and Clair Nelson Center.
  - d. Housing Project - A Supervisor will try to attend the meeting with IRRRB, Wolf Ridge, Lake County, One Roof on February 2nd.
  - e. Fire Department - Board directs Clerk to send written letter to Fire Department to request necessary information to clarify ownership and responsibilities so there is a paper trail of their intended relationship with the Township.

B. Supervisor Updates:

- i. Supervisor Nikula notes that the value of the infield dirt for the ballfield was \$3000, and he is grateful to Wade LeBlanc and driver for that donation.

C. Road and Bridge: Doug

- i. Contractors & Plowing - Doug wants to be able to call contractors when he needs help with a big storm as it is too difficult for him to keep up with things anymore. Supervisors note that since we have the equipment already, hiring an assistant would be better use of funds. Doug agrees to call for approval before he reaches out to contractors and agrees to only request it when over a certain amount of snowfall. Treasurer points out that, since we do not have any contractor costs budgeted, any such expense will need to be balanced with a corresponding reduction in payroll expense.

D. Cemetery : No Report

E. Friends of Finland (See Report)

F. Finland Home Solutions (See Report)

**III. Old Business:**

A. Loader repair at McCoy

1. Stacy reached out to Scott and he said that there is no fee for storing the unit, they palletted the parts and it is outside. See above motion to arrange for Loader repair.

B. Spending Policy Amendment

1. Notes from Clerk:

The Spending Policy below in Old Business reads any expense over \$500.00 needs Town Board approval, which means any request from any department over \$500.00 has to come to a meeting for approval. Otherwise all costs EXCEPT those listed under emergency must come to a meeting. Emergency Costs are different and should be allowed in the policy to give the Clerk or Board Chair room to address such situations. MOTION to amend Spending Policy 20230620 adding Emergency Spending limits for the Clerk and Board chair, and decreasing the amount for departments to spend outside of a meeting from 2K to \$500.00.

(1) MOTION by Supervisor Peterson, Second by Supervisor Nikula, Passed by unanimous consent

**IV. New Business**

A. Nikolai Road Recording

1. David Abazs explained that when his property was purchased in 1988, Nikolai Road was considered an official Township Road all the way to the top of the hill. In October 1988, the Town Board discussed Nikolai Road and the Township's responsibility, agreeing that the Town would upgrade and maintain Nikolai Road to Sawmill Creek and that the remainder of the road from the Creek to top of hill would remain a legal cartway maintained by the property owners. In 1989, the Board motioned to approve a Road Resolution and record documents solidifying the Township roads, their history, and their legal descriptions. Current Township records contain a survey of Nikolai Road showing it extends to the turnaround at the creek. However, a survey conducted this summer

revealed that Lake County records do not reflect this information, and they show Nikolai Road going only as far as the Nikolai home/barn without any mention of a cartway. Abazs requests the Town Board pass the following resolutions to correct the discrepancies:

- a) Motion made to record the most recent Town road surveys with the Lake County Recorder. MOTION made by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.
- b) Motion made to recognize that the portion of Nikolai Road from Sawmill Creek to the top of the hill remains a legal cartway as per the Board discussion in 1988. MOTION made by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent.

B. Funding reallocation

- 1. MOTION to move 50% of Town Hall Building, Road & Bridge, and Emergency Services Funds to General Fund by December 31,2025 to redistribute fund balances. Motioned by Supervisor Peterson, Seconded by Supervisor Nikula , Passed by unanimous consent.

**V. Public Concerns:**

- A. NONE

**VI. CLOSE MEETING:** MOTION: to adjourn the meeting at . until January 20th , 2026 at 7:12 p.m. at the Clair Nelson Community Center. Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.

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**Attached Reports:**

**Treasurer's December Report:**

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**Clerks December Report:**

o Phone call from Wendy Caroon upset about the property tax increase for Crystal Bay. I reminded her that the Levy is set at our Annual Meeting and that is how your voice is heard, and told her she could attend a Town meeting to ask questions.

o Tuesday Talents donated \$400.00 to the Town last month and I mailed off Susan Mannings Resolution Receipt.

o IRRRB Meeting- IRRRB does not have funding to help with Capital Equipment of Roads. However, they do have funding for Infrastructure. The area identified out of this meeting that the IRRRB could possibly help with is our Housing Commission.

o Ordered quite a few new folders in preparation for the new year and turning the office records over.

- Town Hall (Clair Nelson Center)

- o Septic Project Correspondence with Andy Morris, Scott Robinson, Eric Warnecke, Lake County Mackenzie Hogfeldt, Friends of Finland and the Town Board. This totaled roughly 15hrs this month.

- o I have communicated with Eric about the billing, and he just says he knows he needs to get this to me and he will. We have been waiting since July for the proper billing for the 30K we paid him.

- Road & Bridge:

- o Corresponding to the Sales Manager at McCoy re: our current loader, Scott said there is no fee for storing it and there is also no issue storing it. They have palletized the parts and have them stored as the unit has the rear axle out of it.

- o Went ahead and raised the amount of Personal Property Insurance at the Garage as directed last month. For an additional 25K coverage that costs us \$44.00 a yr.

- o I did post for a part time worker at the Coop and here at the Center. I did not put an ad in the paper. No one applied in the 3-week window we gave. If I am to post again or add a notice in the paper please let me know.

- o Jack Nelson and I talked several times about possibly renting his loader. I did go ahead and add his loader to our policy for an additional \$130.00 per yr. This is the information he gave me on cost to the Town

- 2003 938G CAT LOADER HOURLY = \$185.00/HR with operator.  
\$150.00/without. With a 2 HOUR MINIMUM

- PICKUP/PLOW RATE IS \$125.00/HOUR WITH A 1 HOUR MIN

- Housing: - 20hrs this month

- o The Housing Commission will be coming to a close for 1 month per our 6month parttime resolution. This reason is due to PERA. The project is grant funded and there is no funds in there to pay PERA. PERA is retirement for those who don't know.

- § Their Pause will be from December 17<sup>th</sup> to January 20<sup>th</sup>. During this time the Commission will be halted and information turned over to the Clerk.

- § In January the Township will sign a new resolution for the Commission to resume (On Grant Funds left over) and set a Special Meeting for the New Board to begin.

- § On December 19<sup>th</sup> I will post at the Coop and at the Clair Nelson Center a notice that says the Town Board of Crystal Bay is accepting applicants for their

- Housing Commission. All interested people are to email the Town Clerk by January 12, 26. At the January meeting you (The Board) will then appoint members to the new housing commission.

- § I will have all this information ready for the reorganization portion of the January meeting.

§ I also coordinated an in person meeting in February with IRRRB, Wolf Ridge, Lake County and One Roof to sit down and discuss a possible project in Crystal Bay Township.

**Fire Department:**

- o THERE HAS BEEN NO ACTION ON THIS MATTER FROM LAST MONTH-
- o Again, I advise sending a letter requesting movement with a due date so there is a paper trail. Please have this paperwork drawn up and to us by June's meeting. That's 6months? I don't know how else to get this moving. But, it really should be addressed and off the Town's plate.

I want to also note that there is still the loose end of the Fire Hall Buildings- The understanding is that those buildings are NOT ours and we do NOT want them to be. But that doesn't mean anything unless we have paperwork that states that. It would be in the best interest of the Fire Department and the Township to delineate the difference in an agreement sooner rather than later.

There is no paper trail stating clear ownership, paperwork to that effect can be done NOW as we did with the inventory of our Town Hall. I recommend that the Township sends a letter to the Fire Department requesting this be done, and a time frame. If this is NOT done then the Township should be operating as they are our buildings, and the Fire Department should be giving us a yearly inventory report as they did years ago. We are ensuring the Fire Department and have a fiscal responsibility, with rising costs this should be taken seriously.

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**Treasurer Report:**

November things to note in the Income/Expense Report:

- Income
  - o Miscellaneous revenue this month included \$84 RV dump donations, which are now separated out as a Service Revenue, as well as a \$400 donation dedicated to the Clair Nelson Center. We also received the final FEMA reimbursement for administrative costs (\$4,165). Savings interest was \$21.
- Expense
  - o General Government - Payroll for Supervisors (\$328), Treasurer (\$620), and Clerk (\$4,126). Other government expenses: clerk mileage (\$60), monthly payroll fees (\$75), monthly printer expense (\$209), Clerk supplies (\$2), and the 2026 worker's compensation insurance payment (\$3,982).
  - o Public Works: Road & Bridge - Payroll included 76 hours for Road Supervisor (\$2,454), electricity (\$182), propane (\$183), and other garage expenses (\$124), mower starter (\$403), and Grader loan interest (\$923).
  - o Culture & Recreation - Town Hall expenses included RV dump hardware (\$15), electricity (\$469), propane (\$520), outhouses (\$338), and the final septic pumping (\$480). Monthly triangle lighting (\$67).
  - o Housing - ongoing project costs covered by grant funds including payroll (\$720),

mileage reimbursement (\$244), and meeting expenses (\$40).

- Cemetery - Payroll for 4 hours (\$75).

- Included in the above expenses are EFT payments for Visa (\$101), Grader Loan payment of \$1952 (\$923 interest, \$1,029 principal), and Payroll Liabilities (\$1,879).

November things to note in the Balance Sheet:

- The checking account is at \$124,609. The General Fund deficit is now \$114,233. Note that the Community Projects Fund contains \$8,288 restricted grant funds. Also note that we are still awaiting an outstanding \$30,000 from IRRRB for septic system costs which will reimburse the Capital Buildings & Grounds fund, and we hope to be reimbursed for up to \$6100 additional costs associated with outhouses and septic pumping.

- Savings accounts total \$37,646, including \$26,328 available in the Rotating Loan Fund..

- The Township's Grader Loan outstanding balance due is \$135,019.

Summary

- November total expenses = \$16,532 (\$1,061 over budget).

- approximately \$6500 over budget from July-December 2025.

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### Clerks Report

- Office Housekeeping

- Phone call from Wendy Caroon upset about the property tax increase for Crystal Bay. I reminded her that the Levy is set at our Annual Meeting and that is how your voice is heard, and told her she could attend a Town meeting to ask questions.

- Tuesday Talents donated \$400.00 to the Town last month and I mailed off Susan Mannings Resolution Receipt.

- IRRRB Meeting- IRRRB does not have funding to help with Capital Equipment of Roads. However, they do have funding for Infrastructure. The area identified out of this meeting that the IRRRB could possibly help with is our Housing Commission.

- Ordered quite a few new folders in preparation for the new year and turning the office records over.

- Town Hall (Clair Nelson Center)

- Septic Project Correspondence with Andy Morris, Scott Robinson, Eric Warnecke, Lake County Mackenzie Hogfeldt, Friends of Finland and the Town Board. This totaled roughly 20hrs this month.

- I have communicated with Eric about the billing, and he just says he knows he needs to get this to me and he will. We have been waiting since July for the proper billing for the 30K we paid him.

- This is the information I have gathered from Arlene and Kyle; Arlene can expand upon it in her report or answer questions or fix any errors I have here.

- Agate Electric was out Monday; Technician Gavin LeBlanc was on site all day.

- The power is not hooked up from the garage it is hooked into the main Building. This is a very temporary hook up to get us to Spring.

- The 6,000-gal tank doesn't have a float switch installed, and the last tank that sends up

to the mound only has 1 of the 2 pumps hooked up, he's not sure if the correct float switch is installed. The pumps in the 6,000-gal tank have to be manually cycled on to pump up to the 3rd tank, from there it will gravity feed over to the 4th and then 5<sup>th</sup> and final tank. Kyle will then need to manually flip the breaker to manually pump it.

- Harper will come tomorrow Wednesday to talk to Kyle about what to keep clear all winter.

- I spoke with MacKenzie Hogfeldt this afternoon and told him what Gavin had to say, and MacKenzie is baffled at this situation, he said that this sounds like more of a Scott issue than an Eric issue, this would be out of the work comfort zone of Eric, but that is why Scott was the consultant, and Scott should have hooked up the panels then had an electrician out. He said an electrician has no knowledge of floats. Mackenzie was going to give Scott a call and try to gain some insight. Mackenzie is concerned there isn't a proper alarm on the system or if there is it needs to always be on. He was worried about having to manually do anything to the system since it is time dosed. I asked him about Electrical Plans he does not have any in his office, because this was supposed to be part of Scott's job in the project.

Mackenzie mentioned maybe trying to find someone else to contract with to get this taken care of and seemed confused as to why this couldn't be handled by Agate Electric. Mackenzie will keep me informed. I also asked him for an extension to our Permit until Aug 1 of 2026.

- I have attached our Septic Contract with Eric to my report for you all should you wish to look at it. You may want to hang onto this one for future reference.

Tyson, the lawyer who drew this contract advises not to pay anything else out to Eric. 1<sup>st</sup> thing that must be done is Eric must provide the Town with a bill for the 30K. that was paid out in July of 2025.

Then the rest applies; 1. Do not pay the remaining 25K. 2. The \$30.00 per day liquidated damages under #4 applies, and it is currently at 4K, and should this go on to May of 26 we will be looking at around 10K. 3. As sits we have the right to sue Eric, that is always a hot word, but it is the truth in this situation, we have the right to, I'm not saying we are, or should right now and neither did Tyson, but it is something we are in the right to consider or do should The Town wish.

Any bills we pay going forward should be deducted from his final bill along with the #4 provision (bills like an extended permit, or electric) Eric needs to understand that 1<sup>st</sup> he must fix the 30 K invoice and then the Town can discuss working with him on the liquidated damages amount should this take until the Spring. And we can then discuss the Agate billing. If there is a need for a change order to our contract Tyson says not sign one until he looks it over.

!! How does the Town want to proceed with Eric currently? Send a letter requesting he submits a bill for 30K within 30days, request a meeting with him, or request he comes to the next town meeting? Have a Special Meeting, Roger and I have met with him 2x and it has gotten us no where.

- Road & Bridge:

- o Corresponding to the Sales Manager at McCoy re: our current loader, Scott said there is no fee for storing it and there is also no issue storing it. They have palletized the parts and have them stored as the unit has the rear axle out of it.

- If the Town wants to fix the Loader let me know so I can cancel insurance and talk to Scott. If we are waiting for another month let me know so I can reach out to him letting him know you would like to wait another month.
- o Went ahead and raised the amount of Personal Property Insurance at the Garage as directed last month. For an additional 25K coverage that costs us \$44.00 a yr.
- o I did post for a part time worker at the Coop and here at the Center. I did not put an ad in the paper. No one applied in the 3-week window we gave. If I am to post again or add a notice in the paper please let me know.
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    - § I also coordinated an in person meeting in February with IRRRB, Wolf Ridge, Lake County and One Roof to sit down and discuss a possible project in Crystal Bay Township, it would be nice to have a Supervisor present at this important meeting.

Fire Department:

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#### **FOF Updates for month of November, 2025**

#### **Youth Night Attendance-**

Nov 6- 26 kids

Nov 13- 29 kids

Nov 20- 32 kids

Nov 27- No Youth Night/Thanksgiving

- Community Thanksgiving had over 50 people attend! Lots of food and a great time. Remembrance candle lighting after dinner at the cemetery was well attended. Vaughn met us down there and said he was impressed at how this tradition has really come together.

#### **Regular weekly community activities:**

##### Mondays:

•9:15am Bone Builders

•7:30pm Alcoholics Anonymous

##### Thursdays:

•6pm - 9pm Youth Night

##### Tuesdays:

•8:30am - 4pm Tuesday Talents Craft Group

##### Fridays:

•7pm Friday Night Games

##### Wednesdays:

•9:15am Bone Builders

##### Saturdays:

•6:30pm Conscious Movement

#### **Regular Monthly and other upcoming activities:**

- NSAP Senior Lunch is on the 2nd Wednesday every month @ 11:30
- No Monthly Potluck in December due to the Holidays

#### **Operations:**

- There were 3 paid rentals in November for \$75

- Locker with combination lock on the stage for storage of mics and other sound system equipment. Code is only given to rentals that will need to use equipment, township board and FOF Core Staff.

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Housing Commission: **Finland Home Solutions December Report**

*Our Mission Statement:*

Crystal Bay Township Housing Commission seeks to address the need for a range of housing options in Finland and Crystal Bay Township by identifying challenges, investigating solutions, building partnerships, and implementing greater access to affordable and safe housing. This is in service to and for the benefit of a diverse population of both current and future community members living and/or working in the area.

*Projects Update:*

1. Wastewater and Septic Alternatives

Thank you to all who have completed our Wastewater and Septic Survey. We are in the process of analyzing the responses for themes. Our next step will be to reach out to our Commissioner to help us strategize how best to approach the county to advocate for specific changes to septic and wastewater ordinances that limit access to housing in Crystal Bay, based on what we learn through the survey responses.

2. ESMC Partnership (Empowering Small Minnesota Communities Program)

This month closes out our partnership with ESMC through the University of Minnesota. They are wrapping up their research and preparing to present us with their final products including cluster housing designs and resources to support us in the next phase of our work.

3. Community Land Trust Housing

We are excited to host an initial conversation with key partners to determine next steps in building small-scale affordable housing here in Finland. These partners include IRRRB, One Roof Community Housing, Wolf Ridge ELC, Lake County HRA, and ESMC. We hope this partnership can bring together the funding, land, and long-term affordability that will create “very Finland home solutions.” We look forward to sharing updates from this meeting at the February Township Meeting.

4. Lake County Relationships

The Housing Commission maintains ongoing relationships with the Lake County HRA and Planning Commission by sending delegates to receive and present relevant updates at monthly meetings. We are currently waiting on an update from the County Board of Commissioners regarding the Finland Nature Childcare building after they decided not to renew their lease. We have proposed that they sell the home as affordable or workforce housing, and earmark funds from the sale for future housing projects in our community.

*Funding update:*

We are currently looking into grants, including League of Minnesota Cities and the Greater Minnesota Housing Fund, to determine ones that are the right fit for our work. We have funding to continue our work through the next 6-month term, during which time we will work to identify and apply for future funding.

*Board Update:*

The current Housing Commission Board will be finishing our first 6-month term on December 18th. The board will be re-formed for the next 6-month term (February-July) following a mandatory monthlong break. Those interested in joining the board should send a letter of interest to Stacy Breden, Town Clerk at [crystalbaytownship@gmail.com](mailto:crystalbaytownship@gmail.com).

Housing Commission Board:

Rachel Clark, Sarah Mayer, Colby Abazs, Charlotte Hughes, Mike Miller

\_\_\_\_\_.date:\_\_\_\_\_  
Paul Hartshorn- Board Chair

\_\_\_\_\_.date:\_\_\_\_\_  
Michael Nikula- Vice Chair

\_\_\_\_\_.date:\_\_\_\_\_  
Roger Peterson- Supervisor

Attested to this 20th day of January, 2026

\_\_\_\_\_  
Lise Abazs - Treasurer (Took Minutes)