

**Osakis City Council – Regular Meeting**  
**February 2, 2015**  
**7:00 PM**

Present: Randy Anderson, Kip Emerson, Jim Snyder, Kyle Kostrzewski, James Snyder, Jerry Olson  
Absent: None

Others Present: Angela Jacobson, Kurt Haakinson, Jon Backes, Brian Schablin, Sam Larson, Matthew Kruse, Karen, Kris Swanson

Meeting called to order by Mayor Kip Emerson at 7:00 p.m.

Pledge of Allegiance was spoken.

Motion by Kostrzewski, seconded by Olson, to approve the agenda as presented. All Ayes

Motion by Kostrzewski, seconded by Anderson, to approve the general consent items, including the January city bills in the amount of \$548,627.30, and council meeting minutes from January 5, 2015. All Ayes

**Project #388: On-Sale Liquor License**

Motion by Anderson, seconded by Kostrzewski, to suspend the regular meeting and open the public hearing at 7:02 p.m. All Ayes

Matthew Kruse was in attendance. Kruse is the owner of the new Knights Pub & Grub located at 201 Nokomis Street East and is requesting the following:

- On-Sale Liquor License
- Sunday Liquor License

Kruse submitted a Liquor License Application with the required information. A background check for criminal and financial information has been completed by Chief Gulbranson. Gulbranson noted that no significant issues were raised with the background check.

Kruse is planning to open Knights Pub & Grub on April 1, 2015 for people whom have helped him and April 2, 2015 for the public. Council received the layout of the building with seating and the layout for 45 parking spaces.

If the Liquor License and Sunday Liquor License are approved, Kruse must provide the following items:

- Copy of the Restaurant License
- Workers Compensation Policy & Number
- Liquor Liability for the License Period

The above items must be submitted to Clerk Jacobson before the licenses will be issued.

Kruse informed the council regarding his history. His grandparents had operated six restaurants and want to help Kruse. They plan to have different specials each night and serve food from 11:00 a.m. to 10:00 p.m. They will be open from 11:00 a.m. to 12:00 p.m.

Kruse is also checking into living in the building to the west of the restaurant for one year and then find a place to rent or buy.

Motion by Snyder, seconded by Olson, to approve the Liquor License and Sunday Liquor License for Knights Pub & Grub. All Ayes

### **Project #24: Liquor Store**

Julie Blair was not in attendance. Council received the Liquor Store reports for January.

Council received the 2014 Year End totals:

- 2014 Off-sale total - \$11,010.54
- 2014 On-sale total - \$51,960.59
- Yearend total - \$62,971.13

Council received totals for January 2015:

- Off-sale total - \$1,796.33
- On-sale total - \$1,086.09
- January total - \$2,882.42

Clerk Jacobson informed the council that Blair is learning the new system and software. It has taken some time to learn how each item is in the system and is being sold.

An inventory count will need to be taken again. The Auditors did not feel comfortable with the 2014 final count that had been completed. The inventory count will be done on February 6th.

### **Project #73: First Responders**

Brian Schablin was in attendance. Council received the January run report.

Schablin informed the council of the following:

- The First Responders had 19 calls in January
- Hanna Hawkins has resigned with two more members resigning next month.
- The First Responders would like to add four more members. The consensus of the council is to advertise for more volunteers.
- The First Responders received a donation of \$250 in memory of Leon Curtis.
- The First Responders would like to obtain a Fundraising License. The consensus of the council is to allow a Gambling License. Council will need to pass a resolution with dates for the state license.
- Would like the council to approve \$300 for a grant writer's fee to write 3 grants for a lukus device.
- Jason Schultz is also applying for more grant funding.

Schablin will have these items at the next council meeting.

Motion by Emerson, seconded by Olson, to approve a \$300.00 grant writer's fee for a lukus device and other grants that the First Responders want to apply for. All Ayes

### **Project #74: Fire Department**

Jon Backes was in attendance to update the council of the following:

- 2014 was the year for lowest number of calls
- January 2015 had the highest number of calls with 7.
- On February 25, 2015, the department will meet with the Townships. Emerson and Clerk Jacobson are also asked to attend.
- New air bottles have been ordered and should arrive soon. The city will see a bill for them.
- The department received a grant from OSHA for a gas meter. This will be a matching grant.
- The department will be looking to add one member to the department to have a full roster of 20 people.
- Ice Golf will be held on March 7, 2015.

### **Project #76: Police**

Chad Gulbranson was not in attendance. Council received the January police report. The police department had 135 calls for the month.

### **Project #205: City Crew**

Kurt Haakinson was in attendance. Council received the January public works report.

Haakinson informed the council that in March he will be getting quotes to replace the Dodge pickup and the plow for this truck. Haakinson has a schedule for replacing one truck every five years. So each truck will be replaced about every ten years.

Haakinson received a quote for exterior lighting for \$9,188.98. An Xcel grant can be applied for. This would be a 50/50 matching grant. Haakinson will work on applying for the grant.

Motion by Anderson, seconded by Emerson, to approve to order sweeper parts at a cost of \$2,980.10.  
All Ayes

### **Project #444: Wastewater Project**

The city has not had a response from the letter that was sent to the MPCA on January 5, 2015. Council received a copy of this letter.

Kris Swanson was in attendance to discuss the proposed project and where the city is at with the project.

The proposed wastewater project would increase the sewer cost to \$77.00 per month per user with no grant for the 8.4 million dollar project.

If the city could receive a 3 million dollar grant, the sewer cost would be \$57.00 per month per user. A PFA loan for 20 years was calculated at 2%. The rate has now dropped to 1%.

Swanson reviewed the timeline of what has happened this last year with the MPCA and what is ahead in 2015.

- March 6, 2015 – MPCA deadline for the facility plans and funding.
- July 2015 – Point Source Grant
- March 2016 – Facility plan due to the MPCA.

### **Project #455: Demolition Project**

Council received the final bill for the Demolition Project. All paperwork has been filed and items are complete.

The final payment to Mark Lee Excavating is \$21,239.20.

Motion by Emerson, seconded by Kostrzewski, to approve the final payment of \$21,239.20 to Mark Lee Excavating. All Ayes

### **Project #156: Engineer**

Council received the RFP for Engineering Services. This will be put in the paper and on the websites to receive applications.

Below are the dates for the proposed schedule:

- February 4, 2015 Advertise/Distribute RFP's
- February 18, 2015 RFP Submittal Due
- February 19 - 24, 2015 RFP Evaluation
- February 25 - March 2, 2015 Interviews with the City Council
- By March 2, 2015 Council awards project

Clerk Jacobson requested two council members to help in the evaluation of the applicants. After evaluation, the council will need to set up interviews.

Anderson and Emerson will help with evaluation of engineers to interview.

Clerk Jacobson will email dates for the council to choose for the interviews date.

Motion by Kostrzewski, seconded by Anderson, to approve RFQ Engineering Services for bids. All Ayes

### **Project #460: Downtown Project**

The council has approved to go ahead with the SHIP Grant for the downtown project. The SHIP money will help in hiring a design engineer for the downtown project.

Clerk Jacobson had contacted other cities that have had downtown projects to see who their design engineer was. HKGI and Avenue Design Partners were used.

The cities will be providing Clerk Jacobson with a scope of what type of work they do on a typical project and we will choose what items we want to see out of their service. At that time, we can ask for a price, call references and then choose a company.

Anderson and Emerson will help with choosing a company and choose what type of service we want and then ask for proposals.

### **Project #454: 2014 Project**

After the last council meeting, Clerk Jacobson discussed with our attorney Tom Klecker the letter from Dale Isaacson. Klecker felt it was ok for the city to respond.

Council received a copy of the letter that was sent to Dale Isaacson. Clerk Jacobson has not received a response.

Council received a letter from Tom Klemenhausen explaining the 2014 Pike Street Project.

**Project #18: Bridge**

The Lake Street Bridge project is complete. Council received the final payment request from Todd County.

Todd County Engineering cost -	\$15,851.04
Riley Brothers Construction cost -	<u>\$46,357.91</u>
Final payment total -	\$62,208.95

The council had approved to take this cost out of our storm water fund.

During the project, the sewer main was hit and there was a diesel fuel spill. These items cost the city \$5,418.00. Council received a bill for \$5,418.00 which has been sent to Riley Brothers to be reimbursed for the cost.

On the date of the council meeting, Clerk Jacobson received a check for \$5,418.00 from Riley Brothers.

Kostrzewski asked about putting stripping on the bridge so people know where they can access the bridge to fish. Kostrzewski also suggested a reduce speed limit sign.

Motion by Emerson, seconded by Snyder, to approve to pay the final payments to Todd County for \$15,851.04 and Riley Brothers Construction for \$46,357.91. All Ayes

**Project #22: Clerk**

Clerk Jacobson is requesting approval to attend the MCFOA Conference to be held in March at the Treasure Island Conference Center. Conference fee is \$275.00.

Motion by Kostrzewski, seconded by Olson, to approve Clerk Jacobson to attend the 2015 MCFOA Conference in March. All Ayes

**Project #43: Board of Review**

The Board of Review for Douglas and Todd Counties will be held on Tuesday, April 14, 2015 beginning at 9:00 a.m. There must be a quorum of the council. Also, there must be one member that has attended Board of Review training.

Clerk Jacobson will check on members who have attended training.

**Project #50: Transfers**

Our auditors are requesting the council to approve covering the TIF funds that are not performing. TIF #1-6 Downtown, has a balance in fund 330 of -\$8,658.92. Council must approve to cover the deficient balance in this fund.

Motion by Emerson, seconded by Kostrzewski, to approve to cover TIF #1-6 Downtown up to \$9,000.00. All Ayes

**Project #242: West Central Initiative**

Council received a letter from West Central requesting a payment of \$500.00 for the \$2,500.00 commitment to West Central Initiative.

Motion by Emerson, seconded by Snyder, to approve the payment of \$500.00 to West Central Initiative for our commitment. All Ayes

**Project #79: Audit**

At the January meeting, the council questioned the increase in cost to the city audit. Council received an email from Steve Wischmann from KDV responding to the councils questions.

Council received a three year agreement:

- 2014 \$16,350
- 2015 \$16,925
- 2016 \$17,500

Motion by Kostrzewski, seconded by Anderson, to approve the KDV Audit for 2014 at \$16,350, 2015 at \$16,925 and 2016 at \$17,500. All Ayes

Motion by Anderson, seconded by Olson, to adjourn the meeting at 8:45 p.m. All Ayes

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Mayor – Keith E. Emerson

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City Clerk/Treasurer – Angela A. Jacobson