

**Osakis City Council – Regular Meeting
December 3, 2018
7:00 PM**

Present: Jim Snyder, Keith Emerson, Justin Dahlheimer, Jerry Olson, Randy Anderson

Absent: None

Others Present: Angela Jacobson, Julie Didier, Travis Middendorf, Jason Schultz, Chad Gulbranson, Calvin Uhl, Sheila Krohse, Huntz Didier, Bev Snyder, Sharon Fredrickson, Danny Dillabough, Laura Backes, Becky Hensley, Lil Ortendahl, Stella Bender & daughter & granddaughters, Matthew Ramey, Jill Ramey & sons, Boy Scouts, Celeste Edenloff

Meeting was called to order by Mayor Keith Emerson at 7:00 p.m. Emerson welcomed all that were in attendance.

Pledge of Allegiance was spoken.

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

Motion by Dahlheimer, seconded by Anderson, to approve the general consent items, including the November city bills in the amount of \$244,153.09, the November 5th, 2018 meeting meetings and the November 14th, 2018 special meeting minutes. All Ayes

Project #192/84: Truth in Taxation/Budget

Motion by Dahlheimer, seconded by Anderson to suspend the regular meeting and open the public hearing at 7:05 p.m.

Council received the ad that was put in the paper and all residents received their proposed tax statement which stated the date and time of the public hearing.

The purpose of the public hearing was to hear public comment regarding the proposed tax levy and budget for 2019.

A person in attendance was concerned about the increase. She stated that they are a single family income and the increase is a lot on a budget. She feels there needs to be an explanation as to why the increase is so much.

Dahlheimer commented – The city has only had an increase of 3%. The city has tried to keep the budget in check and tries to keep our taxes lower. You need to be mindful of taxes from other taxing authorities and I would urge you to attend the school board meeting to discuss their need for their increase.

Motion by Anderson, seconded by Olson, to close the public hearing and reopen the regular meeting at 7:08 p.m. All Ayes

Council received the 2019 Budget. The budget has not been changed since the preliminary budget in September. After negotiations, the budget will need to be changed to reflect exact dollar amounts of items negotiated.

Council can motion to approve the budget as presented and make an amendment at a later time or choose to wait to finalize the budget.

The 2019 Budget amounts are as follows:

- Expenditures: \$1,266,179.00
- Revenues: \$1,266,190.00
- Balance \$11.00

Motion by Dahlheimer, seconded by Emerson, to approve the 2019 Budget as presented and will amend the 2019 Budget at a future time after negotiations are finished. All Ayes

Project #358: Tax Levy

In September, the council proposed raising the levy 3% which is \$21,500. This will increase the general fund levy from \$573,000 to \$594,500.

Resolution 2018-30 was presented by Dahlheimer, seconded by Olson, to approve the 2019 levy of \$737,500. When put to a vote, the resolution passed unanimously.

Project #476: Award Board

The EDA Board and city council approved to designate Stella Bender and Matthew Ramey to the Award Board. Council received the proclamation and certificates to be presented to Bender and Ramey.

Stella Bender and Matthew Ramey were in attendance.

Mayor Emerson read the recognition board proclamation. Both names will appear on the Award Board. A round of applause was given for their dedication to Osakis.

Project #24: Liquor Store

Julie Didier was in attendance. Council received the November Liquor Store reports. Total for November was -\$498.87.

Olson asked if the beer inventory was too high. Didier explained that she is buying beer at a good price which is saving about \$.60 per case. Discussed buying in volume at the direction of the council.

Council received a letter of resignation from Julie Didier. Didier is currently the Liquor Store Manager.

The council had discussed this matter at their workshop and has officially accepted Didier's resignation. Didier's last day will be January 1, 2019 but will continue to help with Bargo and cycle counts.

Motion by Snyder, seconded by Olson, to approve the resignation of Julie Didier with regret. All Ayes

An ad will be put in the Osakis Review and information listed on the city website, League of MN Cities and MN Beverage Association sites beginning Wednesday, December 5th, 2018. The deadline for the applications was set for December 21st, 2018.

Didier is reviewing the point system for the hiring of the applicants.

The council is sorry to see Didier resign from the position and wish the circumstances were different.

Project #73: First Responders

Jason Schultz was in attendance. The council received the October run report. Schultz informed the council of the following:

- Mike Haburn has completed his certification. The First Responders now have 11 certified members.
- The new president is Mark Grinstead and secretary is Cindy Halbur.

Schultz asked about First Responder shirts for new members at a cost of \$9.00. Council is ok with the cost.

New members do receive a stipend the first year to help keep the First Responder under budget.

Approved to have savings funds put in a CD for the First Responders.

Project #74: Fire Department

Travis Middendorf was in attendance.

Middendorf informed the council of the following:

- 4 calls for November which included 2 carbon monoxide calls, 1 incident on I-94 and 1 house fire in Nelson.
- 212 8th Avenue East may have a Fire Department training burn in the spring.

Project #76: Police

Chad Gulbranson was in attendance. Council received the November reports and December schedule.

Gulbranson informed the council of the following:

- PD had 1 call out.
- Grinstead pulled over a vehicle for a light out. A stop resulted in finding drugs and the driver had a felony. \$9,000 cash maybe forfeited for department use.
- List of sales of forfeited vehicles and restitution will be presented in January.

Project #205: City Crew

Greg Gottwald was not in attendance. Council received the November Public Works report.

Project #444: Waste Water Project

Council received a bill from Hall & Associates in the amount of \$2,525.84.

Motion by Dahlheimer, seconded by Olson, to approve the bill from Hall & associates in the amount of \$2,525.84. All Ayes

Project #467: 2017 Project

Sheila Krohse was in attendance.

Council received a letter and bill for the final payment for the 2017 project from Riley Brothers in the amount of \$152,727.24.

Krohse informed the council that they were able to receive more liquidated damages to cover the cost of the engineering in the amount of \$46,000.

The final IC-134 form must be received before final payment will be made.

Motion by Anderson, seconded by Olson, to approve to the final payment to Riley Brothers in the amount of \$152,727.24 after we receive all lien releases and IC-134 from. All Ayes

Motion by Anderson, seconded by Emerson, to approve to pay Bolten & Menk the amount of \$46,000 for engineering costs from liquidated damages. All Ayes

Project #460: Downtown Project (Grant)

Council received the Residential and Commercial grant sheets for the project.

Project #249: Planning & Zoning

Council received the Planning & Zoning minutes from their November 15th, 2018 meeting.

At the meeting, the Planning & Zoning Commission held a public hearing for Dick & Paulette Dunn for their property at 836 8th Avenue East. It was discovered that after putting in the foundation for their new dwelling, it was within the setback by 28 inches.

Planning & Zoning have tabled the short-term rental ordinance review because no Rental Ordinance has been submitted to the council. VRBO type of rental ordinance has not been decided on because the Planning & Zoning wants the language to follow the Rental Ordinance rules as to allow or not allow.

Resolution 2018-29 was presented by Emerson, seconded by Snyder, to approve the setback variance of 28 inches for Dick & Paulette Dunn for their new dwelling on the property at 836 8th Avenue East. When put to a vote, the resolution passed unanimously.

Motion by Anderson, seconded by Emerson, to approve the November 15th, 2018 Planning & Zoning meeting minutes. All Ayes

Project #60: Ordinance Change

Dahlheimer read ordinance changes #119 and #120 at the November meeting.

Dahlheimer read the second reading of ordinance changes #119 and #120.

Motion by Anderson, seconded by Snyder, to approve Ordinance Change #119 for the council meeting date change. All Ayes

Motion by Dahlheimer, seconded by Emerson, to approve Ordinance Change #120 for the water bills as read. All Ayes

Project #167: Tax Increment

Council received Resolution 2018-31 to review. The resolution is to decertify TIF District 1-6 for the downtown. This TIF District was put in place in 2006 to capture TIF for the building of an apartment complex downtown. Because the project was put on hold for so long, the TIF tax rate is lower than it currently is, so the district would not generate as much money as if we would just decertify the district and increase the tax levy to cover the cost of the project. This can run for another year if the council wishes.

The TIF fund is in a deficit and the council will have to cover the cost of the deficit in the amount of \$10,541.42 from the general fund.

TIF 1-7 is for J Wiener Construction. This TIF District is set to decertify on December 31st, 2018 and any remaining funds will be refunded to the county to be redistributed.

Dahlheimer made a motion to keep TIF District 1-6 as is for 2019 but no motion is needed.

Project #196: Fee Schedule

Council received the proposed Fee Schedule for 2019. Jacobson has noted the changes in the column under 2019.

The Planning & Zoning met and suggested the following changes because of time spent on these items and Darrin Welle's time:

- Conditional Use – Residential from \$200 to \$400
- Conditional Use – Commercial from \$200 to \$400
- Variance Request with survey from \$225 to \$400
- Rezoning Request from \$100 to \$200

Currently, the city does not have a damage deposit for rental of the Community Center. It is suggested that a damage deposit of \$50 is added to the fee schedule for 2019.

We have had a few issues where things are not cleaned up and put away like they are directed.

Council will consider the rate changes and make a decision at the January meeting.

Project #46: Water/Sewer Rates

At the last meeting, the council received a spreadsheet with the breakdown of expenses and revenues for 2019.

The schedule shows the water rate to increase by \$3.64 and per gallon to increase to 14% for 2019. The schedule also shows the sewer rate to increase by \$1.00.

Motion by Dahlheimer, seconded by Emerson, to approve the schedule for larger increase in 2019 and more gradually going forward.

Project #104: Mayor Appointments

Council received the 2019 Mayor Appointments. Some lines are blank which were represented by Snyder.

Emerson will talk to Laura Backes to discuss those positions.

Council members can discuss any changes with Emerson.

The changes will be adopted in January.

Project #97: Delinquent Bills

Motion by Anderson, seconded by Dahlheimer, to approve to put the delinquent bill list on taxes for 2019 as presented. All Ayes

Project #94: Gas Bids

Council received the ad for gas bids for 2019. Bids were due on December 3rd, 2018 by 7:00 p.m.

Two gas bids were received:

- Brothers Market – discount of \$.03.
- Deluxe Oil – profit of \$.15.

Council reviewed the gas bids and Brothers Market did not fill out the form correctly.

Motion by Dahlheimer, seconded by Snyder, to approve the gas bid from Deluxe Oil for 2019. All Ayes

Project #143: Cable TV

Council received a letter from Charter stating that they will be merging with Spectrum Mid-America. This merge will not change our cable franchise agreement but the council can review the contract if they would like. The contract is available at city hall.

Project #96: Naming of a Park

An ad for Naming of the Park Contest has been put in the paper and flyers have been put up around town. Deadline is January 7th, 2018. The council will choose the park name at the January 14th, 2019 meeting. The person whose name is chosen will receive \$100 in Chamber Bucks.

The council will be choosing the name anonymously as previously discussed.

Project #43: Board of Review

Council received information regarding training for the Board of Review. The online training closes on February 1st, 2019.

Dahlheimer will do the training for the Board of Review.

Project #475: Job Descriptions

The council received an update for Job Descriptions for the following:

- City Clerk/Treasurer
- Administrative Assistant
- Liquor Store Manager

Council reviewed the updates.

Motion by Dahlheimer, seconded by Olson, to table the job description approval because of the Liquor Store job duties with a new opening. All Ayes

Council Member

This is Jim Snyder's last meeting for the city council. Emerson stated he commended Snyder for his extra effort and dedication to the City of Osakis.

Emerson presented Snyder with a Certificate of Appreciation. Emerson stated that he has enjoyed working with Snyder and appreciated all his dedication and his work going above and beyond his required duties and will be missed.

Snyder said that he has enjoyed his time on the council and that everyone brings a different expertise to the table. All members are valuable in different ways.

Open Floor

Council changed Open Floor to Items for the Council to Consider. If someone says something and time is needed to do some research, the council may not answer their questions and will have to get back to them. The council may not have all the information if the information is not part of the agenda.

Lil Ortendahl stated that a work session needs to be posted on what is going to be discussed. City hall should consider putting the agenda on the website.

Olson asked about the forfeited money and wants to know if they need to decide where it goes.

Gulbranson informed the council that by state law the county will receive 20%, the state will receive 10%, and the rest will be used for drug enforcement and education.

Dahlheimer stated the money is net of the costs that take to get those funds.

The council was informed that the EDA will be purchasing Hendricks Addition lots to help increase tax bases. The money used will be TIF funds.

The city will be assuming responsibility of the road and it will make a difference in development and selling of the lots.

Dahlheimer thinks it is good to fill in development for existing lots and not new.

The city will need to pay road costs if needed in the future or the fees from selling the lots goes into road maintenance.

Snyder stated the following about the city buildings:

- Suggested remodeling the existing fire hall to city hall.
- The existing city garage is needing attention. A fire barn could be included in addition to a city garage.
- City needs to look at the wants/needs regarding moving to the Visitor's Center.

Danny Dillabough was in attendance and would like the council to expand on items discussed so the public knows what is being talked about.

Snyder explained the process of the Award Board requests.

Meeting adjourned at 8:40 p.m.

Mayor – Keith E. Emerson

City Clerk/Treasurer – Angela A. Jacobson