

Osakis City Council – Regular Meeting
July 2, 2018
7:00 PM

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

Others Present: Angela Jacobson, Julie Didier, Chad Gulbranson, Greg Gottwald, Travis Middendorf, Jason Schultz, Sheila Krohse, Sharon Fredrickson, Bev Snyder, Eric Jacobson, Danny Dillabough, Jim Bridenstein, Don Moore, Jan Moore, Lil Ortendahl, Rebecca Peterson – WCI, Micah Friez - Osakis Review

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

Pledge of Allegiance was spoken.

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

Motion by Dahlheimer, seconded by Snyder, to approve the general consent items, including the June city bills in the amount of \$315,984.96, June 4, 2018 meeting minutes, June 7, 2018 special meeting minutes and June 12, 2018 special meeting minutes. All Ayes Absent: Anderson

There were concerns with the overtime report. The overtime was quite high which results in a lot of funds going to pay overtime. Council does not want the overtime to be this high monthly.

Gulbranson clarified the TZD overtime. Officers only receive overtime, not comp. time for TZD.

Project #24: Liquor Store

Julie Didier was in attendance. Council received the June Liquor Store reports.

Didier informed the council regarding the following:

- On-Sale – working on Sunday entertainment.
- Working on speakers to be able to play music all day.
- Off-Sale – Continue to work on inventory and cycle counts.
- Working on – Draw a name and can drink for \$2 a drink all week.
- Still working on the food. Trying to find out if we can have food without a vented system.
- Getting bids on moving the office to make space for a kitchen area.

Didier also informed the council that the street dance went well. Had a band last Wednesday that was really good. Will try to get another band during the summer.

June sales were \$20,345.87.

Danny Dillabough – If you put in food and have volleyball, you will have to hire more people to keep up with the food. Wants the council to understand that more staffing will be needed if it gets busier.

Snyder stated that the council has decided we were going to do things to make money not save money.

Dillabough – Off-Sale needs to make more money.

Dahlheimer said we have talked about promotion of the off-sale, use of staff for both off & on sale, and volleyball at the Liquor Store. We want nice volleyball courts to attract leagues and people.

Motion by Emerson, seconded by Snyder, to approve 88 vacation hours for Didier to be carried over and to be used in the coming year. All Ayes Absent: Anderson

Project #73: First Responders

Jason Schultz was in attendance. Council received the run report for the month of June.

Schultz informed the council of the following:

- 21 calls for June
- Interviews for First Responders – Michael Ahrendt
- New First Responders – Brenda Majerus & Mitchell Ahrendt
- 6 no shows for the year and are in the mornings from 8 a.m. to noon.

Project #74: Fire Department

Travis Middendorf was in attendance.

Middendorf informed the council of the following:

- One call for the month of June – tree on a powerline
- Fire Department air packs have been ordered

Project #76: Police

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

Council received state statute regarding police vehicle markings.

Gulbranson informed the council of the following:

- Osakis Festival went well. The police gave out 1,400 freezes.
- TZD is paid out of overtime – an invoice will be submitted for TZD waive hours.
- New squad is up and running.

Dahlheimer brought up the color contrast of the police emblem. State statue 169.98 stated the color needs to stick out on all vehicles that are similar in nature.

- Police visibility – what do people expect to see in a squad car.
- Better lettering on the truck was noted.
- The feeling is we now have two unmarked vehicles by the way they are lettered now.
- People should know who the police are when around town – police should be noticed.

Council would like Gulbranson to look over the statue so we are not in violation.

Dahlheimer also brought up part of the state statue – which an officer must be in uniform when operating a police vehicle. Especially in an unmarked squad.

Dalheimer asked if an officer is always in uniform when using the city squad truck.

Gulbranson said he is always in uniform when using the squad truck except coming in for council meetings.

Project #205: City Crew

Greg Gottwald was in attendance. Council received the public works report for the month of June.

Gottwald informed the council of the following:

- Pond issues have recovered from the DO levels
- The quotes for the BOD loading came in high
- Lift station quote is for repair of the pump and not a new one
- Like to remove or replace the fence at the cemetery or some type of marking so the beach and cemetery can be separated
- Monthly checklists are being worked on

Council asked about the overtime report. A lot of overtime and that can't keep happening.

Gottwald explained that street sweeping is a normal job duty but felt he wanted Deters to stay and get the sweeping done.

Project #444: Waste Water Project

Council received invoices from Flaherty & Hood in the amount of \$359.35 and from Hall & Associates in the amount of \$397.74.

Council received an email from Robert Scott regarding the response to the last letter the council received at the June meeting. Robert Scott is asking to meet and discuss the matter with the MPCA.

A meeting will be set to discuss the timeline of the July 31st permit and sampling plan.

Motion by Dahlheimer, seconded by Olson, to approve the invoices from Flaherty & Hood in the amount of \$359.35 and from Hall & Associates in the amount of \$397.74. All Ayes Absent: Anderson

Project #242: West Central Initiative

Rebecca Peterson from West Central Initiative was in attendance with information for the council.

The information was for continued partnership with West Central Initiative.

No motion was made.

Project #460: Downtown Project

Information for the final payment for the Downtown Project from C & L Excavating was just received before the meeting. There was no time to review the information before council payment approval to make sure final numbers are accurate.

Sheila Krohse was in attendance and is working on cost splits with Douglas County to close out the project.

Jeanna Barnes was on the agenda and was not in attendance. Barnes is requesting the city to withhold money from C & L to pay for the cost to fix her basement.

Council received documents that Barnes provided from the League of MN Cities, C & L Excavating's insurance company, Mark Lee's insurance company and Barnes' insurance company. All are denying the claim for the damage to Barnes' basement.

Council received a quote to fix Barnes' basement.

Council received a letter from Tom Klecker in response to Clerk Jacobson's inquiry on how to handle this issue and claim.

Council will need to decide how to move forward.

Council feels they would go with Klecker's suggestion – Legal recourse if Barnes doesn't like the answers.

Council received the grant report from Douglas County for downtown and housing to review.

Project #467: 2017 Project

Sheila Krohse was in attendance.

No pay application was received for the month of June. There are still yards that need dirt and seeding. Some need to be fixed.

Krohse will send a time to Clerk Jacobson when she knows Riley Brothers will be in town next to finish these issues.

July 10th will be the walk through for the DNR area. If all is complete, final payment will be submitted for this part of the project.

Project #249: Planning & Zoning

Council received the June 21st, Planning & Zoning meeting minutes.

Discussion was held at the Planning & Zoning meeting regarding looking into VRBO (Vacation Rentals by Owner) in Osakis.

The Planning & Zoning would like input if the city council feels they would like to see this type of rental property in Osakis before putting a lot of time into an ordinance change and public hearings.

Council received information gathered by our consultant Darrin Welle on VRBOs.

Council discussed some of the pros and cons of this ordinance and if allowing it would be beneficial to Osakis or not.

- VRBOs are properties that are rented out nightly. Some residents have concerns with this in town.
- Brings additional income to our community.
- If approved, the ordinance would be regulated.
- Existing monthly rentals are a strong issues in town. The quality of properties are a concern with up keep in our town.

- Lack of places to sleep nightly in town.

Ignoring issues with rental property doesn't make it go away. As of now, there is no process to regulate it and hope there are no issues.

With VRBOs', rules could be put in place along with expectations and stipulations.

Jan Moore and Don Moore – Keep in mind that residents lose privacy having new neighbors nightly.

Monthly rentals have problems also and need to be regulated and looked at too.

Motion by Dahlheimer, seconded by Snyder, to approve to look into a rental ordinance by the police and a VRBO ordinance by the Planning & Zoning and that council will review both. All Ayes Absent: Anderson

Project #463: Moonshine Madness

Council received an application for Moonshine Madness to be held on September 8th, 2018.

Council considered the following:

- Blocking Main Street from 2nd Avenue West to 1st Avenue East.
- Blocking Central Avenue from 2nd Avenue West to Nokomis Street West.
- O'Town will serve alcohol for the street dance and a band will play from 12 p.m. to 12 a.m.
- Council must declare Moonshine Madness a community festival for liquor to be allowed to be served on the city street.
- O'Town will need to provide insurance to cover the area they will be serving alcohol.
- O'Town will need to provide wristbands to control drinking.
- The Chamber will be contacting the Douglas County Posse for traffic control.

Clerk Jacobson will make sure everything is complete for the events if the council approves.

Council received a resolution to review to declare Moonshine Madness a community festival to allow the serving of alcohol on the street in a designated area.

Resolution 2018-18 was presented by Emerson, seconded by Olson, to declare Moonshine Madness a community festival. When put to a vote, the resolution passed unanimously. Absent: Anderson

Motion by Dahlheimer, seconded by Olson, to approve the Special Event for Downtown and a One Day Liquor License for O-Town Tavern provided they submitted the required insurance and fees, and approve to block Main Street and Central Avenue on September 8th, 2018. All Ayes Absent: Anderson

Project #56: Insurance

Council was informed that our General Liability Insurance renews in July. On the renewal, the city has the option to waive the liability coverage amount. Council received the waiver form and the League of MN Cities information regarding what it means to waive the liability coverage.

Clerk Jacobson informed the council that in the past we have always waived the liability coverage.

Clerk Jacobson recommended that we waive the liability coverage again. It adds additional protection.

Motion by Dahlheimer, seconded by Olson, to waive statute liability coverage for our General Liability Insurance. All Ayes Absent: Anderson

Project #60: Ordinance Changes

Council received an ordinance change to add language for setting utility rates by the council annually. This has been done in the past by our fee schedule each January, but to clarify the ordinance language, Clerk Jacobson consulted with the city attorney and he suggested this ordinance addition.

Council also discussed the EDU charges that we have added for multi-family properties based on gallons used. With the new apartment buildings that will be occupied soon, no average EDU charge can be calculated.

Clerk Jacobson would like guidance from the council on how to address these properties.

Clerk Jacobson suggests that each apartment received the EDU rate of \$26 per EDU equivalent to half the apartments on each property. This would mean if the apartments has 8 units, the EDU charge would be $\$26 \times 4 = \104 plus the regular water and sewer usage. The properties should be reevaluated in one year and adjusted as needed.

EDU's will be looked at for similar properties in town to see what usage is for those properties.

Emerson read the ordinance change out loud.

Motion by Olson, seconded by Dahlheimer, to approve Ordinance Change #116 and waive the second reading. All Ayes Absent: Anderson

Project #50: Transfers

In 2014, the 2008 Bond was refinanced. To close out the fund, the council must approve Clerk Jacobson to transfer the funds from the 2008 Bond (504 fund) to the 2014 Bond (514 fund). The total amount to be transferred is \$141.57. This bond was a transitional bond. We were paying the old bond and new bond at the same time to save interest.

In 2010, we refinanced the 2002 Bond. To close out this fund, the council must approve Clerk Jacobson to transfer the funds from the 2002 Bond (620 fund) to the 2010 Bond (511 fund). The total amount to be transferred is \$131,678.03. The 2010 Bond was refinanced and included both the Osakis Properties and the Hwy, Oak, and Pike project. The Osakis Properties portion of the bond is paid in full so that is why there is a need to transfer the money to one fund.

Motion by Dahlheimer, seconded by Emerson, to approve to transfer \$141.57 from the 504 fund to the 514 fund and to transfer \$131,678.03 from the 620 fund to the 511 fund. All Ayes Absent: Anderson

Project #229: Election Judge

At the 2016 Election, the election judges were paid \$12 per hour. Clerk Jacobson is asking for a \$1.00 per hour raise for the 2018 Election.

Council receive a copy of the ad that will be published in the paper with a notice of candidacy filing opening on July 31, 2018 and closes August 14th, 2018.

Motion by Snyder, seconded by Emerson, to approve the election judges pay to \$13.00 per hour for the 2018 Election. All Ayes Absent: Anderson

Resolution 2018-17 was presented by Emerson, seconded by Olson, to approve the 2018 Primary Election Judges. When put to a vote, the resolution passed unanimously Absent: Anderson

Project #42: Clean Up Day

Council received the dumping cost from West Central Sanitation for the 2018 clean up day.

Total cost to the city was \$640.43. This will come out of the funds for the clean-up day and fireworks.

Project #343: Fireworks

Council received the lease agreements with the Osakis Country Club and Jim Kral for setting off the 4th of July fireworks. Total cost for the fireworks this year is \$7,386.45.

Project #80: Garbage/Organics

Council received an update on the organics program. So far, there are 73 people that have signed up for the program. Feel these are good starting numbers.

Project #291: Survey

Clerk Jacobson did not receive the results of the survey at the time of the agenda, but did received them before the meeting.

The survey will be put into graphs to report to the council.

Project #21: Demographic

Council received a letter with our estimated population for 2018. The estimated population for Osakis is 1,755.

Project #254: Office Programs

Clerk Jacobson updated the council on a couple different programs for a new payroll system. Each programs have different aspects. Clerk Jacobson has visited with other cities and private businesses that use the program to get a feel as to how they work.

Clerk Jacobson received quotes for each program depending on the options that are chosen.

The council can discuss what options they would like to see in the program and how to move forward with our payroll discussion at a special meeting.

Project #69: Information to the Council

Habitat for Humanity will be biking through Osakis on July 17th. They do not have a scheduled stop in Osakis but will be utilizing the trail for their bike route.

Another bike ride will be on August 4th. Century Bike will be going thru town from 11 a.m. to 1:30 p.m.

Council received a letter from the MN Department of Health relating to the Drinking Water Data Review for the City of Osakis.

Open Floor

Ortendahl commented that the Community Center bathrooms and floors look really nice.

Other Information

Project #97 – Water – Council received information from the MN Dept. of Health letters regarding drinking water. The data review is dated June 29, 2018 and survey report is dated June 28, 2018.

Meeting adjourned at 9:00 p.m.

Mayor – Keith E. Emerson

City Clerk/Treasurer – Angela A. Jacobson