

Osakis City Council – Regular Meeting
June 4, 2018
7:00 PM

Present: Keith Emerson, Jerry Olson, Jim Snyder, Randy Anderson, Justin Dahlheimer
Absent: None

Others Present: Angela Jacobson, Julie Didier, Chad Gulbranson, Greg Gottwald, Craig Dropik, Jason Schultz, Sheila Krohse, Sharon Fredrickson, Jason Murray, Eric Jacobson, Danny Dillabough, Micah Friez - Osakis Review

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

Pledge of Allegiance was spoken.

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

Motion by Anderson, seconded by Dahlheimer, to approve the general consent items, including the May city bills in the amount of \$253,021.12, May 7, 2018 meeting minutes and May 9, 2018 special meeting minutes. All Ayes

Emerson questioned the overtime report – Why does it not explain why you (Gulbranson) had overtime? Cal Uhl had 8 hours and Mark Grinstead had 8 hours.

Gulbranson said he was called out while on-call overnight.

Emerson didn't feel like the numbers match the weeks.

The police schedule was given to the council for the month of June:

- Part-time officers only available to work 1 shift on weekends so there is not as much coverage.

Council – if an officer is on duty, they should be in uniform.

Jerry asked if the policy that is currently in place says that the manager needs to work 1 weekend a month. Gulbranson was not aware of that policy.

Project #167 Tax Increment and Project # 472 Housing Assistance

Jason Murray was in attendance.

A public hearing was held to discuss changing the use of TIF funds from Osakis Properties 1-5.

Motion by Snyder, seconded by Anderson, to suspend the regular meeting and open the public hearing at 7:06 p.m. All Ayes

Murray explained the new program and what the funds are being used for. The EDA has indicated they would like to put \$75,000 towards a new Community Housing Assistance Policy, for the first year.

Council received the TIF amendment information.

Council received the Community Housing Assistance Policy and application.

All comments from the public were heard.

Motion by Anderson, seconded by Dahlheimer, to close the public hearing and reopen the regular meeting at 7:15 p.m. All Ayes

The district performed well over the years. Council will need to approve to amend TIF 1-5 to be able to use the TIF income.

Income guidelines set by HUD annual changes:

- Single family with 3 or more family members – \$90,000
- Single family less than 2 members – \$85,000

The funds are to be used for demolition, new construction and remodeling. The funds can only be used in the Douglas County portion of the city. The money is generated in Douglas County so it must be used in Douglas county.

This TIF budget modification can be made to give the city the option to give a forgivable loan this helps to increase tax base. A lien is put on the property to pay back the funds if the property is sold before 7 years.

The application will be reviewed and approved by the EDA Board.

Resolution 2018-12 was presented by Anderson, seconded by Dahlheimer, to approve the TIF 1-5 Amendment District and modification #1 of tax increment within Municipal Development District #1 and adoption of the modified tax increment financing plan. When put to a vote, the resolution passed unanimously.

Project #24: Liquor Store

Julie Didier was in attendance.

Council received the inventory total for May. The total inventory for May is \$77,762.34.

Council received the sales reports for May.

- Sales for the month of May was -\$1,480.78.
- Inventory increased by \$11,445.

Didier informed the council of the June promotions:

- Bean Bag League will start on Wednesday, June 6th. The league is held every Wednesday night at 7:00 p.m.
- The street dance will be held on Saturday, June 23rd at 9:00 p.m. This is the weekend of the Osakis Festival.
- A street dance band will be held Wednesday, June 27th from 6:00 p.m. to 10:00 p.m. on the Liquor Store.
- Kevin Craft comedy show will be held Thursday, June 28th.
- Bargo is scheduled to start up in August.

Olson would like to see Bargo continue through the summer and suggests hiring someone for \$60 on Saturdays to run Bargo.

Motion by Olson, seconded by Dahlheimer, to approve a caller for Bargo on Saturdays at \$60 per time. All Ayes

Motion by Snyder, seconded by Dahlheimer, to approve the street dance events for June 23rd, 2018 and June 27th, 2018. All Ayes

Anderson asked to have the over/short report each month to keep the council informed of the over/short discrepancies.

Didier explained what she thought was the differences in the over/short report for the last year.

Project #73: First Responders

Jason Schultz was in attendance. Council received the run report for May.

Schultz informed the council of the following:

- The First Responders had 16 calls for the month.
- 64 calls were paid out. 78 calls total.
- Libby Matthys resigned.
- 8 members at this time.
- Putting 2 new members on soon.
- Education was done at the school for 911 calls in May.

Project #343: Fireworks

The Osakis Country Club has been sent the lease agreement for the 4th of July Fireworks.

The Fire Department would like to request \$7,000 for the fireworks this year.

- Balance for 2017 – \$1,500
- Elks Donation – \$1,500
- VFW Donation – \$2,500
- Clean Up Day – \$2,758 (does not include dumping costs)
 - Total – \$8,258

Clerk Jacobson requested funds from the USBCA and OEDC but did not receive any funding.

A donation of \$500 from the Osakis Chamber of Commerce was received.

The cost for the same fireworks show as last year is \$6,937.

Motion by Olson, seconded by Anderson, to approve \$7,000 for the 2018 Fireworks and add bigger shells if they are paid for by a donation. All Ayes

Project #76: Police

Chad Gulbranson was in attendance. Council received the May police report

Gulbranson handed out the June police schedule to the council members.

Gulbranson informed the council of the following:

- 413 calls for the month of May.
- New squad was picked up and new equipment is being installed.
- Showed the council a picture of the new decals that should be more visible.
- 128 people attended the bike rodeo. 78 kids attended.
- Picked up items for residents for the clean-up day.

DWI Funds

Dahlheimer noted that he wanted to make sure both are accounting for expense to acquire property, DWI funds and forfeitures before the money is transferred. Dahlheimer also would like the DWI and forfeiture money is separate funds.

Council asked Clerk Jacobson if she was ok with transferring funds and Jacobson stated she would be as long as there is documentation of the amounts.

Council informed Gulbranson that he will need to have documentation to transfer funds and that the transfer is done at year end.

Resolution 2018-13 was presented by Anderson, seconded by Dahlheimer, to approve part-time officer Allyssa Engfer to participate in the Police PERA. When put to a vote, the resolution passed unanimously.

Resolution 2018-14 was presented by Anderson, seconded by Dahlheimer, to approve the vehicle forfeiture funds. When put to a vote, the resolution passed unanimously.

Resolution 2018-15 was presented by Anderson, seconded by Dahlheimer, to approve the DWI penalty assessment. When put to a vote, the resolution passed unanimously.

Project #205: City Crew

Greg Gottwald was in attendance. Council received the May public works report.

Gottwald informed the council of the following:

- Ammonia analyzer is online and controlling the chlorine.
- BOD overloaded and higher than usual. Help was received from MNWARE. A pump was supplied to put oxygen in the ponds.
- Pretreatment needs to be looked at for operations in town.
- Look into engineer work on draft information.
- The Community Center bathrooms will be done by the end of the week.
- A letter was received from the MPCA regarding a sampling plan.

Jim asked if Greg thought there was enough work for another employee and Greg stated that there are always projects that need to be done, but the priority items need to be done first.

Project #444: Waste Water Project

Council received a letter from the MN Pollution Control Agency in response to our letter dated March 30th, 2018.

Gottwald will get ahold of the attorney and discuss with Clerk Jacobson to meet and figure out a plan.

Project #460: Downtown Project

Sheila Krohse was in attendance.

Council received an update on the commercial and homeowner grant.

Krohse informed the council the street lights have been repaired and working correctly. Will wait a while before paying the bill to make sure they keep working.

Warrantee work for the banner arms is still being worked on. Getting numbers to replace the broken banner arms.

No final pay application was submitted.

Project #467: 2017 Project

Sheila Krohse was in attendance.

Krohse discussed with the council the following:

- Concrete crew will be in town Wednesday to do the warrantee work including Robbie Schultz's issue.
- Next week, the blacktopping and mill & overlay will begin.
- The yards will be planted.
- The boat landing will be started at the same time. The deadline is August 1st, 2018 for DNR funding.
- Stripping will follow.

Project #249: Planning & Zoning

Council received the May 17, 2018 Planning & Zoning meeting minutes.

Council received two letters of violation which include GOP Investments (Sean Gay) and Valley Storage. They were given to the council as per ordinance.

The May 17, 2018 was the first meeting with Darren Welle from NJPA.

As per Planning & Zoning minutes, the commission would like Welle to look into options for VRBOs for town. A public hearing will most likely be scheduled for this matter. Douglas County has passed a VRBO Ordinance. Welle will be looking into what would work for Osakis how to regulate rental properties to be kept up.

Council received a letter from Sean Gay regarding renting out his property in Osakis.

Sean Gay was in attendance. Gay remodeled the structure from four units down to three units. Two of the units are rented out on a monthly basis and would like to rent out the last unit on a weekly basis.

Clerk Jacobson and Swenstad will work with Welle for the process and enforcement ordinance adoption.

Motion by Anderson, seconded by Olson, to approve the Planning & Zoning meeting minutes from May 17th, 2018. All Ayes

Project #213: Beach

The council was informed that the beach was very busy on Memorial Day weekend. Clerk Jacobson received a request from a resident to install two grills at the beach and have a garbage receptacle available for picnickers. The grills could be made available only when the life guards are on duty.

Look into what can be done for birds on the diving platform.

Council is ok with putting two grills at the beach and there currently are garbage cans that the lifeguards can take in and out when they are on duty.

Gottwald removed the volleyball poles at the Lions Park and will be installing them at the beach in the near future.

Project #42: Clean Up Day

The city-wide clean-up day was held May 12th, 2018. The event was busy the entire time it was open.

- Clean-up day collected \$3,021
- Expenses \$263
- Total \$2,758

Clerk Jacobson has not received information from West Central Sanitation for the cost of dumping.

Project #254: Office Equipment

Clerk Jacobson received a proposal for a new phone system for city hall. Our current phone system is 20 years old and does not have features to call in to check voicemail, transfer to a cell phone and is having connection issues at times.

The two system quotes from Arvig include:

1. Hardline system. This is where the phone system is housed at city hall and can only be accessed by the phones on site. Cost of this system is \$4,980.
2. Web based system. This is a system that has no hardware held on site. The system is all virtual. This web-based system allows for multiple locations to be on the system and do not have to be in the same building. The fees we currently pay for our phone service are removed and replaced with session fees.

Clerk Jacobson calculated the system to cost an additional \$47 per month. However, with a new system, the first 500 minutes of long distance are free.

After all these changes, Clerk Jacobson calculated our cost to be very minimal per month. There is a \$250 installation fee if we go with the managed plan instead of the purchase plan.

With proposal #2, Clerk Jacobson would like to include cityhall/police/waterplant, but if we can save at those locations, Clerk Jacobson would like to include the Liquor Store.

Motion by Olson, seconded by Anderson, to approve system #2 as presented above if feasible for all locations with an installation fee of \$250. All Ayes

Project #46: Water Rates

In the past years, the council has approved the discounted summer sewer rate. The flat sewer rate is \$26.00. This discounted rate is for residents that water their lawns, flowers, gardens and fill swimming pools. The discount has applied to the months of June, July, August and September.

The city requires the residents to notify us each year to participate.

Motion by Snyder, seconded by Olson, to approve the summer sewer rate for residential properties only at \$26.00. All Ayes

Project #80: Garbage/Organix

At the last meeting, the council approved to participate in the Organix pilot program for 2 years.

Below are some items about the grant program and how it works:

- The grant is for \$10,000, and the funds are granted to the city. The city will pay the cost for the bags.
- Council received a letter that will be mailed to all residents about the Organix program.
- Pope/Douglas will have a float in the Osakis Festival Parade to promote Organix and a booth in the park during the festival.
- Cost for a 60 bag supply is \$69.95. 60 bags should last about 1 year.

Project #198: Special Meeting Notice

A special meeting has been scheduled for June 7th, 2018 at 2:00 p.m. to discuss the Liquor Store.

A special closed meeting has been scheduled for June 12th, 2018 at 1:00 p.m. to discuss comp/OT policy strategy.

Project #23: Osakis Festival

The 50th Annual Osakis Festival will be held on June 23rd, 2018 and June 24th, 2018. There will be kids' activities in Park Osagi on June 23rd. Vicki Hinrichs is requesting to block Lake Street in front of Park Osagi from 2:00 p.m. to 4:30 p.m. The kids will be having a tractor pull contest during this time.

Council received a flyer for the Osakis Festival.

Motion by Anderson, seconded by Olson, to approve to block Lake Street in front of Park Osagi from 2 p.m. to 4:30 p.m for the tractor pull event. All Ayes

Project #172: Car Club

Central Lakes Cruzers would like to block Main Street from 1st Avenue East to 1st Avenue West on July 14th. Central Avenue will remain open.

Motion by Dahlheimer, seconded by Anderson, to approve to block Main Street from 1st Avenue East to 1st Avenue West on July 14th. All Ayes

Project #233: Sauk River Watershed

Council received a letter from the Sauk River Watershed stating they will be enforcing buffers in all public ditches.

The Planning & Zoning Commission also received this information.

Project #291: Survey

The survey information and link was put on the May water bills. Deadline for the survey is June 22nd, 2018. Past the word for others to fill out the survey.

Project #197: Water

Council received the Consumer Confidence Report for 2017. The report will be published in the Osakis Review on Wednesday and is available to view on the City of Osakis' website. This reports on the quality standards of our drinking water.

Open Floor

Sharon Fredrickson asked about the agreement for the clock.

The installation of the 4-sided downtown clock cost is \$2,500 and will be put up sometime in the future.

Meeting adjourned at 9:10 p.m.

Mayor – Keith E. Emerson

City Clerk/Treasurer – Angela A. Jacobson