

Osakis City Council – Regular Meeting
May 13, 2019
7:00 PM

Present: Keith Emerson, Jerry Olson, Justin Dahlheimer, Laura Backes, Randy Anderson

Absent: None

Others Present: Angela Jacobson, Boy Scout Troop-Ramey, Reenie Goodwin, Joe Nathe, Mark Grinstead, Sheila Krohse, Travis Middendorf, Greg Gottwald, Chad Gulbranson, Nikki Nessman, Danny Dillabough, Barb Tillbury, Lil Ortendahl, Kenneth Bayliss (arrived at 8:30)

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

Pledge of Allegiance was spoken.

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

Motion by Anderson, seconded Backes, to approve the general consent minutes, including the April city bills in the amount of \$238,076.87, meeting minutes from April 8th, 2019 and April 9th, 2019. All Ayes

Project #24: Liquor Store

Reenie Goodwin was in attendance.

Council received the following:

- May bullet points report.
- Statement of revenues and expenditures
- Liquor Store revenue and expenses
- Liquor Store sales
- Exp/Rev for On-Sale
- Exp/Rev for Off-Sale
- Hourly sales by Rev. Center
- Inventory summary report
- Multiple Cycle counts and corrects made

Goodwin informed the council of the following:

- Bean bags will be on Wednesday nights and with a start date of June 5.
- Looking for a portable bar to set up outside for the beanbags and music for the summer month.
- Going through inventory and marking some items down so that we can order new products in.
- New drinks for the summer months.
- Spot check on inventory everything has been going well.
- Band will be playing on June 21st and 28th

Inventory down \$2,200

Off-Sale Profit \$2,120

On-Sale Profit \$4,399

Total Sales \$6,399

Project #73: First Responders

Mark Grinstead was in attendance. Council received April run reports.

Grinstead informed the council of the following:

- 15 calls for April and 0 no shows
- Osakis Review doing an article on Seniors on the EMS

Project #74: Fire Department

Travis Middendorf was in attendance. The council received the April report.

Middendorf informed the council of the following:

- April calls included 2 on the interstate, grassfire, house burn
- Pancake breakfast on April 27th went well
- 3 new fire fighters done with training
- Council with tear out gear. Council approval to go out and look at costs for gear so the council can approve at the next meeting.
- Looking at DNR grant for pump replacement on older grass rig.

Project #76: Police

Chad Gulbranson was in attendance. Council received the April Police report.

Gulbranson informed the council of the following:

- Calls are the same as this month last year.
- Have dealt with minors buying vapors.
- Meth collected on arrest on a driving stop.
- Bike Rodeo is on June 2nd and it has the highest attendance in Douglas County.
- Most that got letter participated in cleanup day.
- Junk vehicles 9 out of 20 letters have been taken care of.
- Property letters out this Friday will be deadline to give notice on the property.
- Looking into another property on controlled burn, another house in town.

Project #205: City Crew

Greg Gottwald was in attendance. Council received the April Public Works report.

Gottwald informed the council of the following:

- Water-sampling pilot study started. Recirculation pump for water tower put in.
- Sewer-sampling ponds
- Streets- boat landing, sweeping, cold patch, seasonal help started, repaired lawns from late snow.
- Central Park Lot cleanup now that road restrictions are off.

Project #444: Waste Water Project

Council received a letter from MPCA on April 16th, 2019

Council received a bill from Flaherty and Hood for April in the amount of \$637.50.

Council received a bill from Flaherty and Hood for April in the amount of \$712.50

Council received a bill from Hall and Associates for April in the amount of \$2,712.49.

Motion by Dahlheimer, seconded by Olson, to approve the April bill from Hall and Associates in the amount of \$2,712.49 and the April bills from Flaherty and Hood in the amount of \$637.50 and \$712.50. All Ayes

Project 467/446: 2017 Project/Boat Landing DNR

Last fall, the council was informed of the liquidated damages that we charged Riley Brothers Construction. This amount totaled \$106,000. When their final pay application was submitted, it only included \$46,000 and Riley Brothers agreed that they forgot to subtract the \$60,000.

This spring, they have reviewed their project and found that the \$60,000 was taken off of the payment twice and that the city owes them the \$60,000. Clerk Jacobson reviewed our payments to Riley Brothers and the change orders and discussed this matter with Krohse and it appears that we do owe them the \$60,000.

One discussion point that we had was on the liquidated damages and that we were entitled to more than the \$106,000 in damages if you read the contract.

\$350,000 of liquidated damages was calculated as days to get the project done if going by the contract. Substantial completion was off a little but not as much as the daily to get to the next step of the project done.

Pursue if council feels we can get more in damages.

Attorney opinion on the process was that even though the contract reads the cost of liquidated damages, those can be hard to prove and the city must suffer extra costs because of the delay.

The council did not feel it was worth pursuing the matter.

Motion by Olson and 2nd by Anderson to pay Riley Brothers \$60,000. All Ayes

Boat Landing DNR – Krohse, Gottwald, Clerk Jacobson and Mayor Emerson attended a meeting with the DNR and the SRWD to discuss the shoreline restoration and plantings at 1 p.m. on April 9th, 2019.

We decided it was best to get costs on doing the shoreline with a contractor.

Bids of 2 were received: MN Native Land \$5,100 and Prairie Restoration \$5,565.

Motion by Anderson and 2nd by Olson to approve MN Native Land for grass and shrub install at \$5,100. All Ayes.

Project #249: Planning & Zoning

Approving a Conditional Use for 815 1st Ave East Marc Moen

Justin explained the property plans.

Concerns were brought up about compatible business. The property owner will need to make sure they are compatible.

Motion by Anderson, seconded by Backes, to approve meeting minutes from April 18th. All Ayes.

A resolution was presented by Anderson 2nd by Emerson to approve 2019-07 Conditional Use for 815 1st Ave East. When put to a vote the resolution passed unanimously.

Project #60: Ordinance (Rental)

The planning and zoning board has been reviewing rental language for short term rentals and for rentals in general.

The code of ordinance on the website, have a good neighbor brochure and a process for ordinance and regular ordinance.

Set a date at the end of June for a hearing.

Project #154: Employee Hiring

We are looking to hire a full-time employee at the Liquor Store and Public Works and would also like to promote some part-time help.

A motion by Emerson 2nd by Dahlheimer to approve to hire Felicia Turnquist full-time as the full-time bartender at \$13.98 per hour with a 6-month probationary period with a background and drug test. All Ayes.

Motion by Anderson 2nd by Dahlheimer to approve the hire Derek Lang as the full time maintenance worker at \$19.81 per hour on June 3rd with the step in pay if he receives his licenses for Class D water and wastewater and Class B license with Air brakes and has completed one year of service he could be released from his probationary period at that time, hiring is contingent on a background and drug test. All Ayes.

Project #261: Water Problem

Dan Tillberg property at 406 Pike Street West had a leak that resulted in a utility bill of \$381 for two months and was looking for a break in his water/sewer bill.

Council felt this is the property owner's responsibility to know what's going on this property.

Project #460: Downtown Grant

Council received the grant report for the downtown commercial and owner-occupied buildings.

Project #42: Clean Up Day

Clean Up Day was Saturday, May 11th, 2019 from 9 a.m. to 11 a.m. Council received the cleanup day flyer and information for the hazardous waste trailer.

Sentence to Serve will be at the cleanup day beginning at 9 a.m.

The Osakis Lions will also help again this year.

Cleanup day was very busy starting as early as 8:30 did not stop until 11:40 steady stream all day.

Total Collected \$3,649.00
Cost \$220.45
\$3,428.55 Before the cost to West Central for Dumping Costs

Project #462: Fishing Tournament

North Country Bassin will hold the fishing on July 20, 2019. They have held this event in previous years.

The council must approve their use of the boat landing and the city park shelter next to the landing for the event.

Council wants him to know condition of the landing and to call and give him information.

A motion by Olson and 2nd by Dahlheimer to approve use of the landing/park shelter on July 20th for North Country Bassin. All Ayes.

Project #46: Water Rates

Summer watering rate discount to residents to water lawns and gardens. For the months of May, June, July, August sewer portion of the bill will be a flat rate of \$27.50. Full amount of water used will still need to be paid.

A motion by Anderson and 2nd by Olson to approve to allow summer water rates for those that sign up for those Summer Months specified above.

Project #344: Assessor

Douglas County Assessor contract to put the fee on assessment for the taxes for property in Osakis this is per parcel assessed.

A motion by Anderson and 2nd by Emerson to approve the contract with Douglas County for assessments on taxes. All Ayes

Project #80: Organics

A grant in 2018 was given for a 2-year pilot study of \$10,000 and the now the balance in that fund is at \$1,606.

At the June meeting Nathan Reinbold and Jeff Bertram will be at the meeting to discuss how the program is going and what the plan will be for the next 2-year program.

Project #479: Compost Site

Implementing a fee for yearly use of the compost key. Residents would like to have more freedom to come and go and to use the compost key at their will and to accomplish this a fee needs to be implemented for those that would like use it for the summer and also for those that do not return the key in a timely manner.

A motion by Backes and 2nd by Emerson to approve an annual compost key fee of \$75 with the option of charging the \$75 if someone does not return the key for over a week. All Ayes.

Project #55: OEDC (pulltab booth)

Discussion of moving the pulltab booth to a better location to open up the floor plan of the liquor store to better improve the appearance of the seating area. A few different options were discussed with the OEDC members.

Becky, Rodger, Krystal, Greg, Nikki and Lil were at the discussion. No bids at this time have been received for moving the booth.

Liquor stores number one priority is selling liquor at both the on and off sale and pull-tabs are the 2nd priority.

OEDC will agree with moving booth and will not do a full barop and will not put money into the booth.

The numbers OEDC presented from 2017 to 2018 showed a decline in the sales of pull tabs in 2018 the barop was open more but pull tabs were not increased. There was no information presented to show when pull tabs were the busiest. Reenie was asked for a comment and she did not have much to add to the information that was given.

A motion by Dahlheimer and 2nd by Anderson to approve to get costs to move the booth to the location on the east side. All Ayes

Items for council to consider for future:

Lil Ortendal: Group of people from the community center will help clean up on May 15th a Wednesday to cleanup and organize-label-repair from 5-5:30

Kip Emerson: Light out in town-give information to City Hall and location to get fixed.

Lil Ortendal: DNR lot looks dark nothing to see because no light in middle. The billboard on I-94 looks nice.

Motion by Olson and seconded by Anderson to suspend meeting and open the closed meeting at at 8:45 p.m. for attorney client discussion with Attorney Kenneth Bayliss regarding the Haglund lawsuit.

Discussion on the lawsuit.

Meeting adjourned at 9:30 p.m. All Ayes.

Mayor – Keith E. Emerson

City Clerk/Treasurer – Angela A. Jacobson