

**Osakis City Council – Regular Meeting**  
**March 9, 2020**  
**7:00 PM**

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

Absent: Jerry Olson

Others Present: Angela Jacobson, Reenie Goodwin, Chad Gulbranson, Mark Grinstead, Craig Dropik, Greg Gottwald, Eric Jacobson, Nick (Novel), Paul Hartmann, Dean Birkeland (CarlsonSV) at 7:30 p.m.

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

Pledge of Allegiance was spoken.

Motion by Anderson, seconded by Backes, to approve the agenda as presented with the addition of Flaherty & Hood bill, Board of Review information and O.T. Report correction. All Ayes Absent: Olson

Motion by Backes, seconded by Anderson, to approve the general consent items, including the February city bills in the amount of \$242,536.13, meeting minutes from February 10, 2020, EDA meeting minutes from February 24, 2020, February overtime report and Planning & Zoning meeting minutes from February 20, 2020. All Ayes Absent: Olson

**Project #24: Liquor Store**

Reenie Goodwin was in attendance.

Council received the following reports for February:

- Statement of Revenue & Expense
- Liquor Store Expenditures and Revenue spreadsheet – 2 year
- Bullet Points
- Liquor Store Sales for the month
- Exp/Rev On Sale
- Exp/Rev Off Sale
- Inventory totals
- Inventory cycle counts
- Session Summary for February
- Sales for the month totaled -\$3,126.37

Goodwin informed the council that she will be getting estimates for the Liquor Store floor. Goodwin is getting four different estimates and will present to the council when she has them all.

**Project #73: First Responders**

Mark Grinstead was in attendance.

Council received the February run reports:

- 14 calls for the month – only 1 no show on a Friday at 9 am.
- 2.5 average member response per call, 4 calls had a solo responder.
- 47 calls – year to date.

- 71% of calls were in town between 6 am to 6 pm.
- 50% of the calls were in town. 28% were in Osakis Township and Leslie Township together.
- Researching a full size computerized trauma mannequin for training.
- Purchasing CPR only adult and child half mannequins in the near future for minimal cost.
- Amber Kral and Shannon Graff passed their EMR training and will begin responding to calls after the next meeting when they receive the pager and equipment.
- Grinstead attended the Fire Dept. Township meeting. Funding from Leslie Township was received.
- Two new pager were purchased and \$350 will be reimbursed \$350 from a grant.
- Cindy Halbur has resigned from the OEMR.

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

Craig Dropik was in attendance. Council received the February Fire Department report.

Dropik informed the council of the following:

- The department had 2 calls for the month of February – 500 gallons of water was used.
- Jim Anitzberger is retiring August 28, 2020.
- The township meeting was held and went well.
- Will look into costs to upgrade trucks.

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

Chad Gulbranson was in attendance. Council received the Month End Report for February and the monthly schedule for March.

Gulbranson informed the council of the following:

- West Central Community Action will spend a week in Osakis in July. This is a promotion for the community to fix up houses.
- The speed limit sign will be up soon.

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

Greg Gottwald was in attendance.

Council received the February Public Works report:

- Routine monthly sampling for water.
- WQP samples submitted to MDH.
- Routine monthly sampling for wastewater.
- Received a letter from the MPCA regarding a meeting request.
- Began building plans for an aeration trailer for spring pond startup – pricing together to set one up.
- Removed #4 pump and installed a new one. Now all the same pumps are in every lift station so the same parts can be used.
- Continue working with Derek Lang with the water/wastewater operations. Lang took the wastewater test in March and will need to take the water test.
- Waterplant – still moving forward. Need to look at a plan for costs.

## **Project #464: Solar Energy – Novel**

The council received information regarding solar power in November of 2019.

- Solar garden presentation.
- Letter from Tom Klecker and marked solar agreement with suggested changes.
- Clean solar agreement with changes.

A representative from Novel was in attendance:

- Panels are off sight – no maintenance for the city.
- Rates are locked in for 25 years – can cancel in 10 years if needed.
- Need to be in the agreement for at least 2 years – will find a replacement if you want to get out.

The other solar agreement was 2%. With the rate change we save .01% per kilowatt to keep costs steadier.

The project for the solar gardens are in construction. Operations will begin in about 12 months.

Not in a big hurry but if others are looking, the garden can fill up if subscribers start coming in.

Motion by Dahlheimer, seconded by Backes, to approve the Novel Solar Energy agreement with the attorney changes. All Ayes Absent: Olson

## **Project #79: Audit**

Dean Birkeland from CarlsonSV will be in attendance to review the 2019 Audit.

Council received the audit documents.

Birkeland thanked the city for working with CarlsonSV for the audit this year. Birkeland said that for the first audit it went well.

CarlsonSV has 3 reports: Enterprise Report, Financial Report and Financial Analysis Report.

Birkeland informed the council of the following:

- The Financial Analysis is submitted to the State Auditor.
- Opinion on the Financial Statement – an unmodified opinion is the best opinion. That is the best opinion you can get, that is the most important part of the audit.
- Regulatory basis of accounting – cash basis is allowed for cities with a population of 2,500 or less.

Birkeland reviewed the findings for the audit:

- Lack of segregation of duties – each transaction should have at least two sets of eyes on it. This includes mail, accounts payable and deposits. This is a common finding for all the cities that CarlsonSV audits.
- Financial statement preparations – all city audits have these findings, which is why the auditors do them. It is a requirement to report them.
- Last year's findings were resolved – Liquor Store inventory, Liquor Store over/short and the Comp Time Policy.

Birkeland reviewed the Financial Analysis Report:

- General Fund expense receipts are up a little due to inflation. Some are short but the balance is good. The overall budget was \$338 different. That is pretty good for budgeting.
- The Liquor Store fund remained steady. Gross profit report shows it was down from 40.2% in 2018 to 36.8% in 2019.
- Water fund receipts were \$463,345. Water fund disbursements were \$290,359. Cash balance was \$322,593.
- Funds are needed for the debt service for water principal and interest payments.
- Sewer fund receipts were \$267,532. Sewer fund disbursements were \$242,506. Cash balance was \$643,318.
- Garbage fund – revenue and expenditures are close, not much in this fund.

Birkeland said there was no issues with communication and no difficult matters in dealing with staff.

It was a short time to get the audit done from when the contract was signed and Birkeland felt it went well and was a smooth process. Had no disagreement with management.

Clerk Jacobson signed off on the Management Representation Letter and will receive a copy after the audit is filed.

Anderson asked what could be done about the segregation of duties matter.

Birkeland noted you do have a good segregation of duties process but with a small staff it is a common note.

Birkeland stated that the city could have disbursement dual signatures. Having the mayor and clerk as signatures is the best practice to help have a separate set of eyes. The city has dual signatures on the city checks.

Council thanked Birkeland for the audit.

#### **Project #435: MNDOT – Hwy 27 Project**

Sheila Krohse was not in attendance to update the council on the sewer extension for the Hwy Project.

#### **Project #255: Consultant – Sourcewell**

Council received a letter and agreement for the Sourcewell contract for Planning & Zoning services. The contract will renew April 2020.

Changes to the contract include a \$5 per hour increase and a minimum billing of 2 hours for a short meeting.

Dahlheimer said that the Planning & Zoning commission is happy with the services provided by Sourcewell.

Motion by Anderson, seconded by Backes, to approve the consultant contract with Sourcewell renewing April 2020. All Ayes Absent: Olson

#### **Project #335: Comprehensive Plan**

The council was informed that the Comprehensive Plan update is underway. A Trail and Park Survey has been put on the city website at [www.cityofosakis.com](http://www.cityofosakis.com) for the community to take. The council is asked to take the survey also and has a deadline of March 18<sup>th</sup>.

The survey is also being promoted on Facebook, flyers around town and in the Osakis Review.

Dahlheimer said that if the Trail and Park plans get done, we want to apply for legacy funding for the projects.

### **Project #42: Clean-Up Day**

Clerk Jacobson has requested dates from West Central Sanitation and Pope/Douglas for the Hazardous Waste Trailer.

The council is ok with May 9<sup>th</sup> if it works for West Central Sanitation and Pope/Douglas. This is the same weekend as we have held it in the past. It is the weekend of the MN fishing opener and Mother's Day.

Clerk Jacobson will ask Jeff Bertram to meet with the council to discuss the costs for the clean-up day trash and the process.

### **Project #43: Board of Review**

The Board of Review meeting is scheduled for April 7<sup>th</sup>, 2020. The council was asked to put this date on their calendars as a quorum must be present and at least one member have the Board of Review training. This is the date of the next council meeting and Jacobson will send out a reminder email to the council members.

### **Project #213: Lifeguard/City Beach**

Clerk Jacobson will be contacting the lifeguards from last year in the next month to see if they want to return.

Last year we gave the lifeguards a \$.50 raise. With this same increase, starting wage for new lifeguards would be \$11 per hour. Returning lifeguards would be at \$11.50 per hour and the head lifeguard would be at \$12 per hour.

Gottwald and Jacobson will work on a responsibility list for the lifeguards.

Motion by Dahlheimer, seconded by Backes, to approve a \$.50 to each returning lifeguard. All Ayes  
Absent: Olson

### **Project #229: Election Judge**

The Presidential Primary was held on March 3<sup>rd</sup>, 2020 at the Community Center. The City of Osakis had 14% of the registered voters come out to vote.

The Presidential Primary costs and labor will be reimbursed by the federal government. Clerk Jacobson will be submitting the costs for reimbursement this month.

Because of this Presidential Primary election taking place earlier than usual, Clerk Jacobson did not request a wage increase for our election judges. In the 2018 election, the city paid our election judges \$13 per hour. Clerk Jacobson is requesting an increase to \$14 per hour for the 2020 election.

The regular primary for local offices will be held on August 11<sup>th</sup>, 2020. General election will be November 3<sup>rd</sup>, 2020.

Motion by Emerson, seconded by Anderson, to approve a wage increase for the 2020 elections to \$14 per hour. All Ayes Absent: Olson

### **Project #247: Central Lakes Trail**

Council received a letter from the Central Lakes Trail board. The board is requesting a contribution of \$750 to promote the trail. The city has paid this amount the last couple years.

Motion by Backes, seconded by Dahlheimer, to approve the contribution of \$750 to the Central Lakes Trail. All Ayes Absent: Olson

### **Project #297: Summer Rec**

Council received a letter for the Joint Powers Summer Recreation Committee.

Backes will attend the meeting on March 23<sup>rd</sup>, 2020 and bring information to the April council meeting.

### **Project #444: Waste Water Project**

Council received a letter from the MN Pollution Control Agency stating that they would be willing to meet with us to discuss the concerns over our waste water limit.

Gottwald and Clerk Jacobson will discuss this matter with our attorney and see when the MPCA can meet. This may result in a council meeting and conference call with our attorneys for the next step of the process.

When we meet with the MPCA, the council may want to consider if you want to have the full council meet or a couple council members be designated to this roll.

Council received the following bills:

- Flaherty and Hood bill for February in the amount of \$10,018.95.
- Hall and Associates bill for February in the amount of \$5,647.50.
- Flaherty and Hood bill for March in the amount of \$3,618.15.

Motion by Backes, seconded by Dahlheimer, to approve the bills from Flaherty and Hood for February in the amount of \$10,018.95 and for March in the amount of \$3,618.15. All Ayes Absent: Olson

Motion by Anderson, seconded by Dahlheimer to approve the bill from Hall and Associates for February in the amount of \$5,647.50. All Ayes Absent: Olson

### **Other Items for the Council to Consider for Future**

Backes asked about the Rental Ordinance.

Dahlheimer said that it still needs somethings. More discussion about the rules but not too restrictive.

Council would like to meet with Dan Marthaler to get his experience.

Carra Lang was in attendance and wanted to know why trucks go by their property. One speed registered 56 miles per hour past the school and were pulled over by police. Kids should not have to dodge cars to get to school.

It was asked if we can get blinking lights for the speed sign by the school?

Dahlheimer suggested a designated truck route.

We want safe streets for students to get to school. A grant could be used for the cost if needed for signs.

Clerk Jacobson thought we had discussed this in the past. It is a county road and the county needs to approve.

A designated county truck route will be checked on.

Meeting was adjourned at 7:55 p.m.

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Mayor – Keith E. Emerson

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City Clerk/Treasurer – Angela A. Jacobson