

**Osakis City Council – Regular Meeting
Community Center
November 9, 2020
7:00 PM**

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

Absent: None

Others Present: Lynnette Swenstad, Rodger Larson, Calvin Uhl, Eric Mester, Bev Snyder, Jim Snyder, Reenie Goodwin, Craig Dropik, Dan Wessel, Rick Loxtercamp, Bryan Lashinski, Kevin Hagelund, Greg Gottwald, Paper

The November 9th, 2020 meeting was called to order by Mayor Keith Emerson at 7:00 p.m.

Roll Call – All present as indicated above.

Pledge of Allegiance was spoken.

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

Motion by Backes, seconded by Anderson, to approve the general consent items, including the October city bills in the amount of \$337,271.95, meeting minutes from October 12th, 2020 and Overtime Report. Motion Carries

Project #408: Vacate Street – Public Hearing 7:00pm

Letters were sent to the property owners in the plats of Clarks Addition and Townsite of Osakis and a notices was put in the paper on October 23rd, 2020 and October 30th, 2020.

The public hearing is being held to hear public comment regarding the vacation of a portion of 4th Avenue East.

Council received the survey showing half of the proposed vacation of the street being claimed by Bryan Lashinski and the other half by Kevin Haglund.

Motion by Dahlheimer, seconded by Anderson, to suspend the regular meeting and open the public hearing at 7:04 p.m. Motion Carries

Emerson spoke and said that he has heard comments that the city should be selling this land.

Emerson informed the public in attendance that the property cannot be sold because it was a public plotted road and the property does not belong to the city, it belongs to the public as a public road.

If the road is not serving a purpose for the public, it may be vacated and the abutting property owner/owners shall have the right to claim it.

Emerson asked for public comments.

Jim Snyder stated he would like to save the property for a public fishing pier and would like the council to consider this as a public service.

Rodger Larson said he did some research regarding the right-of-way which was taken over by the city but feels it should be reverted back to the landowners. It would be a tax advantage to vacate.

Larson also said that he never thought about a fishing pier but that could be at the city park. There are a lot of properties in the city that should be vacated and turned back to the tax roll.

Olson asked about the letter from Xcel Energy.

Emerson said that it is just saying that the pole can't be moved.

Hagelund said that the pole services Jim & Bev Snyder and is not located in the proposed vacated property that is being talked about.

Rodger Larson had one more comment – Feels the fee is way too cheap. Should be \$1,000 for the time spent, letters and etc.

Olson feels we should wait on approval. Something doesn't feel right for him.

Dahlheimer – Vacating and adding more green space to Hagland's property is a good compromise. We did not want to vacate the road when he requested and supports the process of vacating.

Dahlheimer commented that we have a lot of shoreland we could use for a fishing pier.

Resolution 2020-21 was presented by Dahlheimer, seconded by Anderson, to approve the vacation of the portion of 4th Avenue East as stated in the survey presented. When put to a vote, the resolution passed unanimously.

Project #24: Liquor Store

Reenie Goodwin was in attendance.

Council received the following reports:

- Statement of Revenue & Expense
- Liquor Store 2 year Expenditures & Revenues
- Liquor Store Sales and Expenditures/Revenues for On/Off Sale
- Inventory
- Bullet Points
- Session Summary 10/1/2020 to 10/31/2020
- Cycle Count 1
- Cycle Count 2
- Profit Off-Sale - \$6,935
- Profit On-Sale - \$8,590.73
- Total profit for October is \$15,525.72

Goodwin informed the council of the following:

- Slowing down some.
- Discussing a POS System for pull-tabs.
- Working on a fishing game.
- Happy hour is still doing well.

Emerson stated this was an excellent month and wanted to state that there is some misconception that the Liquor Store is losing money – It was good last year and is making money now.

Project #73: First Responders

Mark Grinstead was not in attendance.

Council received the October report:

- 24 calls for the month, 2 no-shows (Saturday at 12:32 a.m. and Saturday at 9:51 p.m.)
- 2.7 average member response per call.
- 4 calls had a solo responder.
- 212 calls year to date.
- 58% of the calls were between 6 a.m. to 6 p.m.
- 54% were in town.
- 38% were in Leslie and Osakis Twps.
- Top Response Members for the month were Brenda Majerus with 12 and Shannon Graff with 10.
- FR meeting was held on October 28th. Will be updating the OEMR ID cards.
- New training on the mannequin simulator and discussed recent issues with Covid.
- Looking into purchasing a sanitizer fogging gun that can be used for buildings and vehicles. All of the Osaki city department could use it as needed.
- Donations were received from West Union Charities in the amount of \$600 and \$250 from Nona Betts.

Council had no questions on the report.

Project #74: Fire Department

Craig Dropik was in attendance.

Council received the October Fire Department report. The department had 6 calls for the month.

Dropik informed the council of the following:

- 12,000 gallons of water was used in October
- 65 calls for the year so far.

Mayor Emerson thanked the FD members who helped at the city wide cleanup day.

Project #76: Police

Chad Gulbranson was not in attendance.

Council received the October Police Report.

Council had no questions regarding the report.

Project #205: Public Works/City Crew

Greg Gottwald was in attendance.

Council received the Public Works report for October.

Gottwald reviewed the report:

- Routine monthly sampling.
- Continued to work on PER and Rural Development application for the water plant and tower.
- Gottwald and Quistorff attended training for fire hydrant repair and maintenance. Currently, only 1 hydrant is not in operation.
- Continue work on NPDES permit negotiations.
- Repair was completed on 3 lift station panels.
- Pond #3 was treated lightly to get under the limit but when samples came back it was slightly over.
- Last discharge was done for the year.
- Derek Lang completed his water license.
- Plowed twice and damaged road irons but had no equipment failures.
- Began the repair process of gate valves and manholes – mostly in the downtown area.

Jerry Olson said that he had a few people ask about the carwash. Some people are washing equipment with manure on it and asked if this is a problem.

Gottwald stated that we would not go to the extent of stopping them, but other things also need to be looked at. A close eye will be kept on any meat lockers that open up.

Project #197: Water Plant – RD Application – Public Hearing 7:30pm

A public hearing was held to hear public hearing regarding the proposed project for the water plant and tower.

Motion by Dahlheimer, seconded by Olson, to suspend the regular meeting and open the public hearing at 7:32 p.m. Motion Carries

Eric Mester from Nero Engineering was in attendance and gave a presentation regarding the Preliminary Engineering Report for the Water System.

Mester began informing the public that about 1 ½ years ago we began the pilot study for the water plant. Ammonia was found in the ground water and the city hired Nero Engineering for the pilot study.

Mester discussed the alternatives:

- Alternative 1: Biological NH₃ (convert gravity) & Fe (new pressure) Filters & Rehab Water Tower.
- Alternative 2: Biological NH₃ (new pressure) & Fe (new pressure) Filters & Rehab Water Tower.

Alternative 1 – Capital Project Cost:

- Water Treatment Plant Improvements and Water Tower Rehabilitation - Total \$1,571,000.

Alternative 2 – Capital Project Cost:

- Water Treatment Plant Total and Water Towner Rehabilitation – Total \$2,487,000.

Rural Development requires more than 1 alternative but Alternative 1 is the most cost effective solution.

Olson asked about the properties with only a well.

Mester said the numbers are based on the number of water users in city limits and not by per property.

Rodger Larson commented that we had the best water when we had the old water plant. The new one did a huge disservice to the city. Corners got cut in the new plant. The old systems worked.

Larson stated that this is not personal – he knows the guys struggle and have been struggling since the new plant was built.

Larson said that we need to move forward and there will be extra costs because of water quality. No reason not to move forward.

Emerson – There was never a pilot study done for the new plant which was the biggest mistake.

Mester talked about the plant startup and additional issues. Phosphorus from the water plant is going to the ponds also.

Dahlheimer stated that Gottwald has been pushing for this project and feels this is incredibly important.

Dahlheimer's only concern is we should be checking for multiple bids for the project.

Dahlheimer also asked about the possibility for increased grants.

Mester said that grants are tied to health and safety issues and this is a drinking water health issue.

Larson asked if we would be close in getting back to the original water.

Mester said the water will be more consistent and could be better than before.

Larson asked what the city's preliminary thoughts were. If we are going to spend 2 to 2.5 million we should get back to the original water.

Gottwald said that about \$70,000 was spent on salt to soften.

Mester – No valuable life left in the resin. The resin is included in the costs of the proposed project.

Ammonia is creating the problem and is coming from both wells.

Motion by Anderson seconded by Backes, to close the public hearing and open the regular meeting at 8:15 p.m. Motion Carries

Council had no other comments.

Motion by Dahlheimer, seconded by Backes, to acknowledge that the city has had a public hearing for the improvements for the water plant and tower. Motion Carries

Project #249: Planning & Zoning

Council received the Planning & Zoning minutes from October 15, 2020.

Council also received 2 resolutions to review.

Dahlheimer explained the resolution for Michael Manders is for a front yard variance to build an addition.

Carra and Wade Lang's resolution is for a front yard variance. They will be replacing their house and garage damaged from a fire.

Motion by Emerson, seconded by Backes, to approve the Planning & Zoning meeting minutes from October 15, 2020. Motion Carries

Resolution 2020-22 and Resolution 2020-23 was presented by Olson, seconded by Anderson to approve the variance requests from Michael Manders for the property at 109 Pike Street East and from Carra and Wade Lang for the property at 511 1st Avenue East. When put to a vote, the resolutions passed unanimously.

Project #233: Sauk River Watershed

Council received a notice from the Sauk River Watershed.

Anderson explained that just as the city does a Comprehensive Plan update, the Sauk River Watershed has submitted a Watershed management Plan.

The SRWD have to send out for public comment.

Project #229: Election

The General Election was held on November 3rd, 2020 and had a record number of voters. Because of the situation with Covid, some election judges were unable to work and many others really stepped up to make sure the elections went smooth in the conditions of the Covid pandemic increase in our area. We put extra protections in place to help those that worked.

Election judges are currently paid \$14.00 per hour but because of the Covid situation and extra work with this election, \$17.00 per hour is being requested.

Backes clarified that this pay increase would be for this election only.

Motion by Olson, seconded by Dahlheimer, to approve to pay the election judges \$17.00 per hour for the 2020 General Election. Motion Carries.

Project #243: Canvass Votes

The council will be holding the Board of Canvass meeting on Thursday, November 12th, 2020 at 3:30 p.m.

Project #97: Delinquent Utility Bills

Council received a list of Delinquent Utility Bills for 2020. Those bills that are not paid by November 15th, 2020 will be put on taxes.

Olson asked about what the average monthly bill is.

A utility bill can be from \$85 to \$120 – depending on water usage.

No shutoffs were done this year due to Covid.

Motion by Anderson, seconded by Emerson, to approve to put the amounts that are outstanding on the 2021 taxes for the properties listed as delinquent. Motion Carries

Project #46: Water/Sewer Rates

Council reviewed the increased rates for 2021:

<u>Water</u>			
Base	31.72	was	30.50
1,000 to 5,000	3.75		3.50
5,000 to 10,000	3.95		3.80
10,000 to 20,000	4.25		4.10
20,000 and up	4.55		4.40
 <u>Sewer</u>			
Base	21.00	was	19.50
Per 1,000	3.02		1.80
EDU charge	31.72		30.50
Seasonal Water	31.72		30.50
Sewer Fixed	29.50		28.00

No changes were made.

Motion by Dahlheimer, seconded by Anderson, to approve the water and sewer rates for 2021 as presented. Motion Carries

Project #196: Fee Schedule

Council received the 2021 Fee Schedule to review.

The fee for the vacation of property was discussed. The fee is currently \$250 and council would like to raise it to \$400.

The council feel this is a fair rate.

Discussion of the bulk water rate was held. Currently the rate is \$.03 per gallon.

Gottwald said that there is not much cost to regulate the bulk water now but in the future it would not be cheap to fix the electronics for it.

Motion by Dahlheimer, seconded by Olson, to approve the bulk water rate of \$.05 per gallon beginning January 2021. Motion Carries

Project #435: MN DOT Hwy 27 Project

The council received an update on the progress for the Hwy 27 Project.

Greg Gottwald, Angela Jacobson and Sheila Krohse met with Eric from MN DOT regarding a portion of Lake Street and the abutting property that lies within the area of the Hwy 27 easement. Because of the situation with the street, the city will be required to have a public hearing and when the Hwy 27 project

is finished, the road easement area would be given back to the city and the council will need to accept this easement. Council received a drawing of the area.

The public hearing will be held at the regular December council meeting.

The bridge on Hwy 27 needs to be replaced. The council will be meeting to discuss the design of the bridge as it seems we will have some say of how it looks within the DOT parameters.

Gottwald said they are doing soil borings now and the bridge will be raised to 16 ft.

MN DOT has to obtain some right-of-way, then when the project is finished give it back to the city. Everything has to go back to railroad specs.

The public hearing will be held at the regular December council meeting.

Project #484: Osakis Logo Design

Last May, the council discussed the redesign of the city logo.

The information has been posted on the City of Osakis Facebook page requesting designs by the end of November.

The council will receive the submitted designs at the December meeting. \$100 in Chamber Bucks will be awarded to the design winner.

If there is no design chosen, we can have Winning Edge design a new logo for the city.

Project #373: Policies

Council received draft copies of policies for a general personnel policy for harassment, code of conduct and a respectful workplace.

Council has no other suggested changes.

Council is ok for Jacobson to send to the city attorney for review.

Items for Future Meetings

Council had none.

Project #444: Waste Water Project

Gottwald would like Eric Mester to set in. Council is ok with Mester sitting in the closed meeting.

Motion by Backes, seconded by Dahlheimer, to take a recess before opening the closed meeting at 8:43 p.m. Motion Carries

Motion by Backes, seconded by Anderson, to continue the regular meeting. Motion Carries

The Mayor read the following to close the meeting for discussion with the attorneys:

- The agenda item for this special meeting is to discuss legal strategy regarding threatened litigation in the matter of City of Osakis NPDES Permit No. MN0020028.
- This properly noticed special meeting of the City Council of the City of Osakis will be closed pursuant to Minnesota Statutes, section 13D.05, subdivision 3 (b) under the attorney/client privilege exception to the Minnesota Open Meeting Law.
- The city's need for confidentiality outweighs the purposes served by the open-meeting law in this case based on the following:
 - Absolute confidentiality is necessary so that the City Council and legal counsel can have a candid and open discussion to determine the available legal options to handle threatened litigation, including strategy and any possible areas of resolution.
 - The purpose of the closed meeting is not to make a decision behind closed-doors, but instead is to determine the legal options for handling the referenced threatened litigation.
 - The only business to be discussed in this meeting is the threatened litigation.
 - An open session would be detrimental because it may take place in the presence of individuals involved in the threatened litigation.
 - A closed session would benefit the public because the ultimate outcome of the threatened litigation may impact the finances and regulatory authority of the City.

Mayor Emerson entertained a motion to close this portion of the meeting.

Motion by Backes, seconded by Anderson, to suspend the regular meeting and go into the closed meeting at 8:45 p.m. Motion Carries

Only the officials and consultants of the City who reasonably require access to this data may be in attendance at any portion of the meeting for this agenda item.

This portion of the meeting should not be taped or otherwise electronically recorded since it has been closed under the attorney-client privilege.

The minutes of this portion of the meeting should reflect only that a meeting was held with its date, time and location; who was present at the meeting; and the purpose of the meeting'

The Mayor took roll call:

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

In addition to the City Council, the following persons are present for the closed meeting:

Robert Scott, Attorney with Flaherty & Hood, Greg Gottwald, City Superintendent, Eric Mester, Lynnette Swenstad, Deputy City Clerk

Mayor Emerson stated:

Members of the Council, I will now have our appointed legal counsel begin our discussion on this agenda item.

Mayor Emerson stated when discussion concluded:

Members of the Council, following the completion of our business, we will now adjourn into open session and I will entertain a motion:

Motion by Backes, seconded by Anderson, to approve to close the closed meeting and open the regular meeting. Motion Carries

Meeting adjourned at 8:55 p.m.

Mayor – Keith E. Emerson

City Clerk/Treasurer – Angela A. Jacobson