

**Osakis City Council – Regular Meeting**  
**City Hall – 14 Nokomis Street East**  
**October 11, 2021**  
**7:00 PM**

Present: Tim Thornbloom, Dan Wessel, Alan Larson, Laura Backes

Absent: Randy Anderson

Others Present: Angela Jacobson, Craig Dropik, Chad Gulbranson, Reenie Goodwin, Greg Gottwald, Preston Oetterer Amber Kral, Sheila Krohse, Jessica Peterson (Horizon Public Health), Travis (Echo Press)

The October 11th, 2021 meeting was called to order at 7:00 p.m. by Mayor Dan Wessel.

Pledge of Allegiance was spoken.

Motion by Larson, seconded by Thornbloom, to approve the agenda as presented with the addition of employment under Project #27 Liquor Store Employment. Motion Carries Absent: Anderson

Motion by Backes, seconded by Larson, to approve the general consent items, including the September city bills in the amount of \$356,164.91, meeting minutes from September 13, 2021 and to make note to clarify Project #488, that if we cannot change the paper October 1<sup>st</sup>, then it will be changed as of January 1<sup>st</sup>, September Overtime Report, EDA meeting minutes from September 27, 2021 and Health and Safety Committee meeting minutes from October 6, 2021. Motion Carries Absent: Anderson

**Open Floor:**

No comments were made.

**Project # 22/84: Clerk / Budget**

Council was informed that the Residential Newsletter will be sent out in October. The newsletter will include winter information with parking regulations, water conservation, information to help educate the public on the use of phosphorus and the increased expense for the city, recap of the proposed 2022 Budget and the Housing Grant information that is available for the city residents.

Clerk Jacobson reviewed the following regarding the 3<sup>rd</sup> Quarter 2021:

- Cash Balances
- Savings Balances
- 3<sup>rd</sup> Quarter Expenditures / \$936,738
- 3<sup>rd</sup> Quarter Revenue / \$762,211
- Funds did not change a lot in the 3<sup>rd</sup> quarter.
- Receive taxes and LGA in December.

Angie Williamson is working on the Chatter Box. Send her the information if you have items you would like the public to see.

## **Project #24: Liquor Store**

Reenie Goodwin was in attendance.

Council received the following reports:

- Statement of Revenue & Expense
- Statement of Revenue and Expense (60% to 40% split in labor and utilities)
- Liquor Store 2 year Expenditures & Revenues
- Liquor Store Expenditures/Revenues for On/Off Sale
- Liquor Store Sales
- Bullet Points
- Rodeo Event
- Inventory
- Session Summary – 9/1/21 to 10/1/21
- Cycle Counts
- Off-Sale Profit of \$2,280.48
- On-Sale Profit of \$9,066.43
- Total Profit is \$11,346.91

Goodwin comments:

- The month of September went well.
- Bargo is back but was slow for the first few weeks.
- New wines are available over the bar for taste testing.
- Chamber paid \$262 for the rodeo.
- Lost 2 part-time employees. Trying other part-time employee for the night shift.
- Goodwin and Lund would get overtime or the council must decide if they want to hire a full-time employee.

Council is ok to hire a part-time employee at this time. Will need to look back to see how much the overtime was and compare to a full-time employee to see if it is feasible to add a full-time person.

Council will discuss this matter at the November council meeting.

## **Project #73: First Responders**

Jason Schultz was not in attendance.

Council received the September reports.

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

Craig Dropik was in attendance.

Council received the September report.

Dropik thanked all who showed up to help out with the bomb threat. Will be working on some systems to put in place.

Dropik reviewed the Fire Department report with the council:

- September we had 6 calls and used 6,600 gallons.

- HGACBuy – having a membership will allow the flexibility to purchase a fire truck that has been bid for all the parts that are required to be bid. We do not have to do our own bidding for the purchase of the new rescue truck. HGAC specs out the truck and does the bidding for the Fire Department.

Motion by Larson, seconded by Thornbloom, to approve a membership with HGACBuy for fire truck bidding. Motion Carries Absent: Anderson

Dropik discussed the drawing of the fire truck:

- There are different accesses to the cab – 2 in front and 6 in the back which allows for more equipment. Usually we have 3 to 4 people when leaving the hall.
- FNPA has speed restrictions. The restriction is 65 and we are asking to go faster on I-94. We have a rollover safety provision so we can't accelerate until the truck is at level. Custom Fire has an agreement that the city would need to sign to allow the truck to exceed the governed speed for the fire truck.
- Received a quote from BuildersFirst Source to replace the flooring in the fire hall meeting room. The total for the flooring is \$2,776.76. The flooring would be installed by the firemen. An additional amount in the bid is proposed for new ceiling tiles if the new floor makes the room too loud when it is installed.
- We have \$1,000 from the 200 fund for the flooring costs.
- One of the drop tanks was used for the open house and did not hold water. The department's second one is not much better. The department would like to purchase two drop tanks for a cost of \$1,860 each.

Motion by Larson, seconded by Thornbloom, to approve the speed of the new fire truck to go 74 miles per hour and other trucks in the fleet to increase to this speed. Motion Carries Absent: Anderson

Motion by Larson, seconded by Backes, to approve new flooring in the fire hall meeting room at a cost of \$2,776.76 using \$1,000 for the city portion from the 200 fund. Motion Carries Absent: Anderson

Motion by Larson, seconded by Thornbloom, to purchase two drop tanks per bid presented. Motion Carries Absent: Anderson

## **Project #76: Police**

Chad Gulbranson was in attendance.

Council received the following:

- September Police Report. Gulbranson had 2 callouts and Uhl had 3 callouts.
- Do not know if the guy who called in the bomb treat has been charged yet at this point. He has other charges on his record.
- School Resource Officer is going. We will have a meeting with the school about the program.
- Oetterer attended DARE training. DARE classes will be for K-2 in the fall.
- Josh Martin has worked a few hours of SRO because of grant funds.
- Gulbranson attended a Planning & Zoning meeting to discuss properties that are in question of violating the ordinances. Gulbranson went to the properties and used his body camera to see the property and what is in violation. Some are living where they should not be. Mark Harren will review the footage and see if there are violations. The owner will be called to stop living in the area of the building that they shouldn't be.
- Osakis High School class gave the police a plaque saying thanks for keeping up safe during the bomb threat.

- New radios have been received. Asked the Elks and Nelson's Club for final donations to pay for the radios.

### **Project #154: Employee Hiring**

At the last meeting, the council made a motion to end the probationary period for Preston Oetterer and give him a step 2 increase. The union was provided a letter for this matter and has agreed with deviating from the contract.

The response from the union:

“We have received your correspondence and have had the chance to review it with our legal team. LELS approves of the city's request to deviate from the contract and approve Officer Oetterer to move from Step 2 and the end his probationary status.”

### **Project #205: Public Works / City Crew**

Greg Gottwald was in attendance.

Council received the September Public Works report.

Gottwald informed the council of the following:

- Possible shortage of salt for the water plant. Working to keep loads coming in and keep ahead of it. We get 1 load per month.
- Cattle exclusion reviewed by MPCA. We can expect credits to be used for 2021.
- Wastewater testing is done on how we can optimize the treatment.
- Rented a chipper to clean up the street corners by the stop signs.
- October 30<sup>th</sup> crack filling will be completed.
- Met with the DNR. No issues with the cleanup in Park Osagi on the lake shore. Will meet city ordinance if required.

Larson suggested when removing trees, put down fabric or material to keep the brush and trees down and to make it look nice.

### **Project #191: Skating Rink**

Each year, the council has discussed having the skating rink downtown during the winter months.

Council discussed having the skating rink but manage freezing time. Looks good on the downtown corner lot in the winter time.

Shoveling was left for others to do. People helped out to keep the rink clean. Wessel will donate another shovel if needed.

A new liner will need to be ordered for the rink.

### **Project #441: Park Improvements (Park Osagi/Central Park)**

Amber Kral was in attendance.

Kral updated the council on the progress for the improvements:

- Kral read “Why we are doing what we do”

- 6 different groups have reached out to help. Kids learn life skills.
- Painting at the beach was done.
- Boy Scouts took out the planters, benches were restained.
- City Crew power washed the Gazebos on the trail and they were restained.
- The Small Engine class cleaned up the welcome sign. This was done in 2 hours.
- Art Class – painting the murals on the walls at True Value and the beach.
- Mulch was donated by MidMn Mulch.
- Central Park & Park Osagi – Kimra Boogaard is looking into grants and fundraiser events.
- Help for people to do in the community.
- Beach house – finished painting and cleaning up.
- Park equipment – kids choose what pieces they like.

Wessel commented that the grants written for the city keep communication for grants up and what they are for so the council is involved.

Kral is doing fund raising for the projects.

Kral will bring back a list of the city projects. Need council approval to do projects in the city parks.

Gottwald has some projects – can tell Kral the projects to do when there are lots of people to help.

Kral is working hard and doing a good job on getting things done.

### **Project #242: West Central Initiative**

Samantha Vanwechel-Meyer had reached out regarding a community fund for Osakis.

Jacobson included a PowerPoint presentation regarding what the community fund is about.

Advantages of the Community Fund:

- West Central has an online donation page.
- Checks can be sent to West Central for donations to the Osakis Community.
- Can invest in 4 different funds.
- West Central is a 501C3 – for all donations made, the donor receives a receipt for tax right offs.
- Funds can be distributed to the city when requested for projects.
- This is an avenue for community members and groups to donate to the projects for our community.

The council will need to decide who is on the advisory board (this is who can make motions to draw or put money into the fund and what the funds are to be used for). This can be the EDA or council.

Also need to designate a key contact person to work with the program and receive the funds.

The fund can be discontinued at any time if the council or WCI wish to close the account.

Council would like Vanwechel-Meyer to come to the November meeting to setup the program and investments for the community. Show us how it works for us.

Resolution 2021-27 was presented by Backes, seconded by Larson, to approve to establish a community fund at West Central Initiative for the Osakis Community Projects and an account at FNB Osakis so

donations can be made locally. When put to a vote, the resolution passed unanimously. Absent: Anderson

## **Project #60: Ordinance / Rental**

Jessica Peterson from Horizon Public Health was in attendance.

Peterson gave some background about Horizon Public Health and their programs.

Horizon works for MN Dept. of Health and inspects Pope/Douglas counties.

- VRBOs – Douglas County has 75, Pope County has 10, City of Alexandria has 10. The total that are licensed at this time is 95.

Peterson is happy to see our ordinance is modeled after Douglas County. Keeps consistency and helps Horizon keep things the same for inspections.

Application fee is \$250 plus \$12.50 per bedroom.

The VRBO has an advisory committee. For Pope/Douglas it is the County Commissioner. The committee recommends the fees. Every 2 to 3 years have an increase of 2% to 3%. The recommendations would be brought to Osakis for review and approval.

Peterson reached out to Todd County Health and Human Service. Horizon would take them on and do the inspections. They are waiting to get permission from the state by running it up the chain to get answers if Horizon can cover Todd County.

Horizon Public Health stated they would do the licensing and inspections of the homes. If there are complaints about the properties, the following steps are taken:

1. The homeowner (rental Landlord) is required to notify the neighbors of a contact number if there are any issues at the home of the vacation rental property. The neighbors are to call the owner before calling anyone else.
2. If there is an issue with the building, Horizon would review.
3. If there is a complaint that does not meet the ordinance, the police would be called to address the issue because it is the city's ordinance and the police enforce the ordinances.
4. If someone is renting out the property and does not have a license, the city would send them a letter reminding them of the ordinance and to contact Horizon to be licensed. If that is not done, the police would enforce the ordinance.

Council received the agreement from Horizon for the inspection of the VRBO's in the Douglas County portion of the city.

A draft copy of the ordinance was reviewed by the Planning & Zoning:

- Conditional Use Permits for more than one rental on a parcel and/or where 2 or more private vacation home rentals are on contiguous parcels under common ownership – this includes immediate family members which was questioned.
- Add back in the section for individual septic treatment systems (page 3, #3, d. (2))
- Can do 2 or 3 people per legal bedroom. Look at a CUP if more capacity.
- Add to the R-O, R-1, R-2 and C-1 districts of the Zoning Ordinances.
- Move (e. Prior to Occupancy.. to the first section (Purpose and Intent)
- Add to the application – City is allowed to charge 3% for short-term rental. Make it clear in the application.

- Section 2 c. – add inspection to the language.
- Add – follow parking ordinance.

A public hearing will be set up in November to hear public input on the proposed ordinance and after we hear from the state on the coverage for Todd County portion of the city.

### **Project #249: Planning & Zoning**

Council received the Planning & Zoning minutes from September 16, 2021 and October 6, 2021.

Council also received:

- Resolution 2021-25 – variance for Harvey and Karla Halverson.
- Resolution 2021-26 – variance for Tim and Elaine Lange.

Backes reviewed the meeting minutes.

Motion by Backes, seconded by Larson, to approve the Planning & Zoning meeting minutes for September 16, 2021 and October 6, 2021 for a new dwelling for Kathy Kirsch at 311 Pike Street West. Motion Carries Absent: Anderson

Resolution 2021-25 was presented by Larson, seconded by Backes, to approve a variance for Harvey and Karla Halverson for the property at 2421 Lake Street East. When put to a vote, the resolution passed unanimously. Absent: Anderson

Resolution 2021-26 was presented by Larson, seconded by Backes, to approve a variance for Tim and Elaine Lange for the property at 2411 Lake Street East. When put to a vote, the resolution passed unanimously. Absent: Anderson

### **Project #482: Covid-19 Rescue Funds**

Council discussed the Rescue Funds received and wanted to check in on what the \$184,000 can be used for.

The council asked about how many businesses were in Osakis, the MN Department of Revenue was able to get a list of those that are registered businesses. Council received a list of 76 businesses.

Wessel and Jacobson did some checking on the funds uses and checked with our city auditor on what would be allowed uses:

- Auditor checked on the grants to businesses to use these funds. He stated that these funds can be used for businesses. The business needs to show lost revenue for the grant and must also show if other funds were received from other federal grant funds. DEED has been given funds for these business grants, other programs have not set grants up yet.
- There is a spreadsheet that the state sent out for lost revenue and the city could also recoup lost revenue if this sheet shows a loss. This is not complete at this time and we could see if some funds can be used for these lost revenues.
- Asked about helping to fund expanded bathrooms downtown with automatic amenities. The auditor felt this could be an allowed use of funds.
- Water/Sewer extension – we asked about funding the water and sewer extension to the golf course and he stated that this would be allowed to use these funds for the project. This total project is estimated at \$205,938.72.

All funds spent need to be tracked and reported to the state each year.

The council discussed other ideas of things they would like to see if we can use the funds for:

- Wastewater pilot study plan build - \$50,000 is the cost for the study.
- How much would downtown bathrooms cost? Council will think about how much to allocate to this.
- Kral raise money for the upkeep for the bathrooms. Needs to be cleaned weekly and kept up.
- Kral will get a total number to Jacobson to inform the council regarding the final cost of the bathrooms.

Larson asked if bids and quotes are needed for the dollar amount for the bathroom.

### **Project #488: Newspaper**

At the September meeting, the council made a motion to change the official paper for Osakis to the Long Prairie Leader as of October 1, 2021, unless we legally are not allowed to make the change.

Below is the response Jacobson received from the city attorney Tom Klecker:

“There doesn’t appear anything in the statute regarding a mid-year change in the legal newspaper for the City. I see from some of the materials that a Minnesota Attorney General’s opinion (non-binding legal authority) recognizes that a change may be made mid-year.”

This statement is somewhat unclear and Jacobson did ask for clarification on this matter, but no information has been received. Jacobson talked to Wessel on this matter and he wanted to bring it back to the council for discussion.

Jacobson also visited with Jason Brown from the Long Prairie Leader and his assumption in the conversation is that we would be looking to make this change of the official paper in January. Brown’s legal council also recommended the change in January. Brown stated he would get his staff to take care of the additional area and be ready to be the official paper.

A final vote can be made at the first meeting of the year as we have in the past.

Backes stated that her vote was meant to say if we can’t change in October, then in January it would change.

### **Project #219: State Hwy 27 Project**

The council received a draft agreement at the last council meeting to approve regarding the State Hwy 27 project that is being done by the DOT. For the project, the city is extending water and sewer across the Hwy to the golf course.

Resolution 2021-24 that was passed included the draft agreement. However, the agreement has changed slightly because of our project. Council received the agreement with the changes to review.

If the council wants to move forward with the project, the council must rescind the motion for approval of Resolution 2021-24 and approve Resolution 2021-29.

Motion by Larson, seconded by Backes, to rescind the motion for the approval of Resolution 2021-24.  
Motion Carries Absent: Anderson

Resolution 2021-29 was presented by Larson, seconded by Backes, to approve the project with MN DOT for water and sewer across State Hwy 27 for the estimated cost of \$196,573.47. When put to a vote, the resolution passed unanimously. Absent: Anderson

### **Project #408: Vacating City Street**

Council received an amended resolution for the vacated street of Rush and Central Avenue. The legal counsel wanted to see the actual legal description in the resolution instead of a reference included in the vacated legal description.

Motion by Backes, seconded by Larson, to rescind Resolution 2021-24 for the vacation of Rush Street and Central Avenue dated 9-13-2021 and to replace it with Resolution 2021-28 to include the legal description for the vacation of Rush Street and Central Avenue. When put to a vote, the resolution passes unanimously. Absent: Anderson

### **Project #433: Sauk River Watershed**

Council received a letter from the Sauk River Watershed District asking for a designated member to be on the project team for a concept design for a water storage and channel restoration project for the JD2 ditch.

Motion by Backes, seconded by Thornbloom, to designate Alan Larson to the project team for the JD2 ditch pond. Motion Carries Absent: Anderson

### **Project #451: Council Meetings**

Because of the ending of the State of Emergency, the city meetings are effected. With the State of Emergency, the city was allowed to do remote meetings.

Now that the State of Emergency is over, the council will need to follow the state statute 13D regarding meetings.

Some of the highlights are as follows:

- Interactive TV can be used with the following conditions:
  - Hear and see all members of the body. All members of the board must be heard and seen.
  - At least 1 person must be at the meeting location.
  - All votes by roll call.
  - The location of each member must be open and accessible to the public.
  - Notice of the meeting must provide the location of all members.
- Medical exception must meet the state statute:
  - The person cannot be in public because of medical reasons.
  - Allowed with the declared State of Emergency.
- City Staff:
  - City staff is not stated in the statute, so the council should determine if they must be present. However, if they are at remote locations and are providing testimony, the public and council must be able to hear and see them.

### **Project #196: Fee Schedule**

Council received a list of the 2021 Fee Schedule. Council will review this list and propose any changes that they feel need to be made.

The 2022 Fee Schedule will be adopted in January.

It was brought up to adopt a \$500 fee for Building Permits that are not submitted.

Council discussed that an ordinance would need to be put in place. Recommendation from the city attorney will be needed as to how to deal with no building permits before adopting a job fine or increase fee.

**Project #21: Demographer**

Council received the 2020 Census number. The total population for the City of Osakis went from 1,740 to 1,771.

Motion by Backes, seconded by Thornbloom, to approve the updated population signs to reflect the 2020 Census number. Motion Carries Absent: Anderson

**Project #79: Audit**

Council received the engagement letter from Carlson SV for the 2021 Audit. The cost for the audit will be \$18,000. For the 2020 Audit, the cost was \$18,760.

**Project #112: Emergency Management**

Council received a news release from Douglas County to received public input on severe storms.

**Project #321: Visitor's Center**

The Visitor's Center was open in 2021 from June to September 6<sup>th</sup>. The total spent for wages for staffing for this time period was \$4,681.

Council received a list of the traffic of visitors at the Visitor's Center and what they came in for.

Council's suggestion was to have it open seasonal. Helps the community to have it open.

**Project #237: Lake Association**

Council received a copy of an email sent from President Bruce Magnus regarding his ability to access the DNR Trust funds.

Larson looked up the DNR funding application online and found that it could be filled out for funding to spray up to 35 acres.

**Project #376: Capital Improvements**

Gottwald and Dropik met with ProBuild to discuss some plan options for a new public works/fire hall building.

Council was presented with a draft design to review and see how it will fit on the lot and the area needed.

The Historical Marker is being looked into.

Motion by Larson, seconded by Backes, to adjourn the meeting at 9:35 p.m.

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Mayor – Daniel J. Wessel

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City Clerk/Treasurer – Angela A. Jacobson