

**Osakis City Council – Regular Meeting**  
**City Hall – 14 Nokomis Street East**  
**November 8, 2021**  
**7:00 PM**

Present: Tim Thornbloom, Dan Wessel, Randy Anderson, Laura Backes

Absent: Alan Larson

Others Present: Angela Jacobson, Craig Dropik, Chad Gulbranson, Jason Schultz, Josh Martin, Al Neumann, Amber Kral, Gary LaFine, Rebecca Callahan, Travis (Echo Press), Jeff Bertram, Joe Frey, Samantha (West Central Initiative), Rebecca (West Central Initiative), Greg Gottwald, Layla Rismoen

The November 8th, 2021 meeting was called to order at 7:00 p.m. by Mayor Dan Wessel.

Pledge of Allegiance was spoken.

Motion by Backes, seconded by Thornbloom, to approve the agenda as presented. Motion Carries  
Absent: Larson

Motion by Backes, seconded by Anderson, to approve the general consent items, including the October city bills in the amount of \$246,693.75, meeting minutes from October 11, 2021 and to correct heading of minutes from Community Center to City Hall. Motion Carries Absent: Larson

**Open Floor:**

No comments were made.

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

Council received the following items:

- Truth in Taxation hearing will be held at the Community Center – 20 Nokomis St W.
- Final 2022 Budget adoption
- Final 2022 Levy adoption
- Gas Bids for 2022

**Project #56: Insurance**

During the budget process, the council was made aware that the Health Insurance was not changing for 2022 due to a 0% increase because our group experience usage vs. the premiums paid.

We belong to Lakes Country Coop. They are a self-insurance pool and can have increases for different experienced groups and if the experience is favorable, the city can receive a refund.

The City of Osakis has received refunds in 2010, 2011, 2012, 2013 and 2019. In 2021 the city received a refund for a portion of the health insurance premiums paid totaling \$14,480.96.

Council received a letter from Lakes Country Coop.

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

Reenie Goodwin was not 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
- Inventory – \$94,605.44
- Session Summary – 10/1/21 to 11/1/21
- Cycle Counts
- Off-Sale Profit of \$8,578.94
- On-Sale Profit of \$6,063.86
- Total Profit for October – \$14,642.80

Sales to date are \$906,227 and will go over \$1,000,000 in sales for 2021.

Total year profit to date is \$72,923.

Inventory will take place on January 1<sup>st</sup>, 2022. Start at 7 a.m. to about 1 p.m.

Council discussed buying shingles for the Liquor Store building now and to put on next year to keep the price down. Council will decide at the December meeting if the shingles should be purchased.

One bid was received from Stan Schultz. Wessel mentioned getting another bid.

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

Jason Schultz was in attendance.

Council received the October reports:

- Total calls for the year is 213.
- See what the calls are in November and discuss how to pay for the extra over the budgeted amount.

Wessel asked about responding to calls.

Schultz said they do not use lights and sirens unless needed in town. They are not used on all calls.

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

Craig Dropik was in attendance.

Council received the October report.

Dropik informed the council of the following:

- HGAC was sent back in. Getting quotes on truck part costs by the December meeting.

- 1 more call on 10/21/21 than what is on the report.

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

Chad Gulbranson was in attendance.

Council received the following:

- October Police Report.
- Resolution 2021-31 approving the Joint Powers Agreement with the City of Osakis for the City attorney to access the state's criminal justice network.
- State of Minnesota Joint Powers Agreement for Bureau of Criminal Apprehension.
- Court Data Services Amendment to CJDN Subscriber Agreement.

City attorney accesses data base for Criminal Apprehension for prosecuting criminals.

On Wednesday, November 10<sup>th</sup>, the police officers met with the high school students to inform them what the police are at the school for.

A donation was received from the Elks in the amount of \$3,800 for new radios for the police.

Nelson's Club will also make a donation. Gulbranson needs to get them the amount but they should also donate enough to pay for one radio.

Resolution 2021-31 was presented by Anderson, seconded by Backes, to approve the Joint Powers Agreement with the City of Osakis on behalf of the City Attorney for the Police Department. When put to a vote, the resolution passed unanimously. Absent: Larson

### **Project #242: West Central Initiative – Community Fund**

Samantha Vanwechel-Meyer and Rebecca Peterson were in attendance.

At the October meeting, the council passed Resolution 2021-27 to open a community fund at West Central Initiative and wanted West Central Initiative to set up an account at FNB Osakis. The council also requested representatives from West Central Initiative to be in attendance at the November meeting.

Vanwechel-Meyer explained the fund:

- Funds are kept at West Central Initiative and will be invested in the investment options provided to the council. For these investments, there is a small annual fee of .13% to .72%.

Council received the following:

- Confidentiality statement.
- Investment strategy.
- Standard Component Fund Agreement.

West Central Initiative is a non-profit and has been in business for 35 years. Already have had business loan funds with the EDA.

Donations from the community will receive a letter and donor tax receipt.

Items to set up:

- A designated contact for donations in/out of the fund.
- Advisory board – council or other community members (has to be an active board that has regular meetings.)
- Work with FNB Osakis to setup a donation fund account.
- Investment strategy - #1 if in/out, #4 if long term savings for the future.

The EDA board can be under the community fund – parent fund would approve and combination and withdrawal.

West Central can do approvals by email if council must meet and would take longer to be paid out for projects.

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

Greg Gottwald was in attendance.

Council received the October Public Works report.

Gottwald discussed the following:

- No information back on the cattle exclusion. Not sure of the length of time for approval.
- Pond treatment was done. Samples taken on the different treatments to see what works best.
- If looking like we want to move forward and if worth doing a pilot project, will be sent to the MPCA for a pilot study approval before starting.
- Did some tree trimming on the road right-of-ways.
- Mill & overlay project is done.

Council received an invoice from Nero Engineering on the work for the pilot study. Wastewater project is \$1,797.00 and the rest is for the water plant improvement in the amount of \$16,528.00 – RD grant/loan for this portion.

Gottwald discussed with the council seasonal help wages. Gottwald has returning employees to help with the snow removal and summer help and would like to set a wage for them to return. Winter seasonal help starts now at \$18.00 per hour.

Gottwald would like to request steps if they are returning seasonal help:

- First year – \$18.00 per hour.
- Second year – \$22.00 per hour.
- Third year – \$25.00 per hour.

Motion by Anderson, seconded by Thornbloom, to approve a range for returning winter help with the starting amount at \$18 per hour, seconded year at \$22 per hour and third year at \$25 per hour. Motion Carries Absent: Larson

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

Amber Kral was in attendance.

Kral updated the council on the progress for the improvements:

- Waiting on a quote from 2 contractors for the women's/men's bathroom and common area.
- Kral sent out donation letters to the community for beautification donations.

- Cleaning the bathrooms – See if all 3 bathrooms can get cleaned by one person.
- If approved, the project for the bathrooms could be done by spring.
- Gazebo was cleaned and stained with the 4-H club.
- Purse bingo is this Saturday. This is a fundraiser for the projects and will be held at the VFW.

Kral will keep working and moving forward with the bathrooms and get quotes for the total costs and see what donations come in for the project.

Al Larson met with the park committee and wanted the council to know they are having monthly meetings at 8 am on the last Tuesday of the month at city hall.

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

Council received the information the Long Prairie Leader provided regarding the startup of a paper for Osakis called the Osakis Anchor. They are going to area businesses to try to get the word out for advertisement so they can have enough funds to publish the paper two times a month.

They are also looking for office space. Possibly look at the Visitor's Center for an office location.

Council is willing to see what can be worked out.

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

The council has discussed the Rescue Funds received and wanted to check into the uses of the \$184,000.

The items that the funds could be used for:

- We checked on grants for 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 what other funds are received from other federal grant funding. DEED has been given funds for these business grants. Other programs have not set grants up yet.
- The lost revenue replacement worksheet was completed and reviewed by the auditors and the City of Osakis can recoup \$66,185 of loss revenue according to the formulas used for the program. Council received the summary total.
- 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. The auditor stated that this would be allowed to use these funds for the project. The total project is estimated at \$205,938.72.
- Sewer Pilot Study is estimated at \$50,000.

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

At the last meeting, the council was considering the bid Amber Kral presented regarding the installation of the bathrooms downtown.

Backes asked the council to consider an amount that the city would be willing to put towards the bathroom project.

Kral is still getting another bid for the bathroom.

Council will consider this and discuss at the next meeting.

## **Project #7: Community Center**

Al Neumann was in attendance. Neumann is the president of the senior club and wanted to introduce himself to the council and give some input of ideas to update the Community Center.

Wessel and Jacobson met with Mary George and Neumann to discuss items that they would like to see updated.

There has not been meals at the Community Center because of Covid. No in house meals have been served. The Senior Club will be meeting to discuss options.

Items that require updating:

- Exit lights need to be lite.
- Handicap button not always working for access.
- Electrical panel on the wall needs to meet code.
- Clean ducts.
- Pest control done once a year.
- Hood cleaning done annually.

Neumann will stay in contact with Wessel and Jacobson.

Wessel also noted that Angela and he met with Neumann but Laura and Tim are the Community Center liaisons.

## **Project #80: Garbage Rates**

In April of 2021, Jeff Bertram was at the council meeting to discuss the rates for garbage for 2021. At that time. Bertram stated that he would like to have received the garbage increase that was proposed in the contract from 2019.

Bertram was in attendance and would like to ask if the city would increase the rate an additional 3% for the increase for 2019.

Council received a copy of the page in the contract with rate information for garbage:

- In 2019, approval of a 7 year contract was signed with an increase to happen every 2 years of up to 3%.

Bertram explained that they had a hard time getting employees, increase wages and to keep them on the route during Covid.

Backes commented that the 3% should have been paid before and requested at that time. Backes does not feel we should pay it now.

Wessel commented – to keep a good relationship and working together, the increase is not going back – just starting in 2022.

Motion by Wessel, seconded by Anderson, to approve the 3% increase in 2022 for what was missed in 2019 of the 3% increase. Motion Carries Opposed: Backes Absent: Larson

## **Project #60: Ordinance – Rental**

Jessica Peterson attended the October council meeting and reviewed the vacation rental process with the council for Douglas County.

After the meeting, we found out that Todd County will need to do the inspections for the Todd County portion of the city for vacation rental licensing. Their license fee would be \$170.00.

The Planning & Zoning had a few revisions to the ordinance as shown in blue or red in the draft ordinance.

Jacobson went over the changes with the council:

- Septic treatment compliance – If they do not have city sewer, they need to show compliance to rent.
- Visitors – day hours are allowed. No limit on day guests if they come to visit family and the renter was allowed to have visitors.

Council received the following:

- Draft Private Vacation Home Rental
- 2021 Todd County Lodging Application
- Todd Annual License Fees
- Horizon Public Health Agreement

A public hearing will be scheduled with the council the end of November or beginning of December.

Todd County will get the city an agreement to sign for them licensing rentals.

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

Council received the Planning & Zoning minutes from October 21, 2021.

Council also received for review and approval:

- Rescind Resolution 2021-25 – Harvey & Karla Halverson 6 ft variance for an addition.
- Resolution 2021-30 – 10 ft variance request for Harvey & Karla Halverson. Variance is needed for a new dwelling. Neighbors are happy with the variance change.

Motion by Anderson, seconded by Thornbloom, to approve the Planning & Zoning meeting minutes for October 21, 2021. Motion Carries Absent: Larson

Motion by Anderson, seconded by Thornbloom, to rescind Resolution 2021-25 for a 6 ft variance for Harvey & Karla Halverson. When put to a vote, the motion passed unanimously. Absent: Larson

Resolution 2021-30 was presented by Anderson, seconded by Thornbloom, to approve a 10 ft variance for Harvey & Karla Halverson for the property at 2421 Lake Street East. When put to a vote, the motion passed unanimously. Absent: Larson

## **Project #433: Sauk River Watershed District / Meeting of Landowners**

Randy Anderson attended a site meeting on Friday, October 29, 2021 with SRWD, lake shore property owners and legislators. They viewed the outlet and Miller Bay and were concerned with water levels of Lake Osakis.

Anderson updated the council regarding their discussion:

- Those present at the meeting included Army Corp of Engineers, DNR, lake property owners, Mary Franson, Bill Engebretson and SRWD reps.
- The water level at the outlet dam is too low and they want it higher but cannot change the level of the lake.
- Water from the ponds come in at Miller Bay and show that sediment runs into the lake that is not removed by sediment ponds.
- SRWD said they would put \$30,000 into it, but there is so much sediment in the lake, we would not be able to remove it all.
- Money from federal funds can be used for this kind of clean up. Feels the state government should take care if it – it is not the land owners problem.
- No more taxing agency and feels the DNR should take care of it.
- Joe Frey has concerns about the lake and the cleanup. The DNR should evaluate and take money it receives and clean it up. Take care of the issue and it will benefit all of the people that come to the lake and those downstream. It is not just benefitting those on the lake.

### **Project #203: Snow Removal Ordinance**

Wessel wanted to discuss the snow removal ordinance with the council members.

Council received the two sections of the ordinance that the city uses to enforce the street snow removal ordinance.

**71.01H (H)** Winter parking regulations. No parking on public streets from November 1 to April 1 between the hours of 12:00 a.m. to 6:00 a.m., unless so otherwise marked.

### **71.03 PERIODS OF SNOW REMOVAL**

(A) (1) Whenever existing or forecasted weather conditions require that snow plowing be carried out, no person shall stop, stand or park any vehicle or permit it to stand upon any street or street right of way during periods of snow removal.

(2) All vehicles will be ticketed and towed from the streets when city crew start to remove snow.

(B) Failure to remove a vehicle during snow plowing or ice treatment is a violation of this chapter and is punishable pursuant to §10.99.

Both of these ordinances are published in the fall/winter newsletter.

Gulbranson stated they post on Facebook and give leeway for people parking until the first storm of plow able snow. After November 1<sup>st</sup>, it requires the people to follow the ordinance.

Wessel noted that he was told there is a phone application to report that the street will be plowed if not removed vehicle will be towed to residents that signup can be notified.

### **Project #472: Housing Assistance – MCPP**

Jacobson attended a webinar on the MCPP and MN first time homebuyer program.



The program allocates funds to your community through the State of MN program to use for first time home buyers for a down payment or help with closing costs. This program is accessed through your lender by applying for these funds. The requirement of the program is to use at least 50% of your allocation each year or you are not allowed to participate the following year.

The City of Osakis was enrolled in the program in 2019 and 2020. We were not able to participate in 2021 because we did not meet the 505 requirement.

The city is now eligible to participate in 2022. However, if the council feels we want to assure that we don't have a year that the 50% requirement is not met, we could have a conversation with the county and ask if they want to participate in the program. If they participate, the funds are allocated for the entire county and can be used anywhere in the county. This would most likely mean we would always meet the 50% requirement.

Council received a flyer about the program.

Anderson asked if the realtors can promote the program when selling property in town.

Council would like to see the program for Osakis and will discuss at the December meeting.

### **Project #229: Elections / Election Judges**

Each year, the city must designate the official polling place.

Council received Resolution 2021-32 to review.

Year 2022 will be an election year and Jacobson would like to request that we increase the election judge wages from \$14 per hour to \$14.50.

Resolution 2021-32 was presented by Backes, seconded by Anderson, to approve to designate the Ed Pollard Community Center at 20 Nokomis Street West to be the official polling place. When put to a vote, the resolution passed unanimously. Absent: Larson

Motion by Anderson, seconded by Thornbloom, to approve the election judge wages to increase from \$14 per hour to \$14.50. Motion Carries Absent: Larson

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

Council received the fee schedule proposed for 2022. This will be adopted in January.

Council sees no new changes to discuss.

Schedule will be reviewed at the December meeting.

### **Project #104: Mayor Appointments**

Council received the current list of Mayor Appointments for 2021. The Mayor will designate the 2022 Mayor Appointments in January.

The council is asked to review the appointments and discuss them with Wessel if you would like a change before the December meeting.

## **Project #46: Water Rates**

The council discussed the water/sewer rates at the budget meeting.

Council received the proposed increases for 2022:

- Water Base Charge – from \$31.72 to \$33
- EDU charge per 4,000 gallons used for multi-family properties – from \$31.72 to \$33
- Seasonal Water & Sewer user per month – from \$31.72 to \$33
- Sewer Base Charge – from \$21 to \$22.75
- Each 1,000 gallons – from \$3.02 to \$3.25
- Fixed Charge Non Metered – Minimum charge per month – from \$29.50 to \$31.25
- Seasonal Sewer user – from \$17.50 to \$19.25

WATER – The water plant project for 2022 will cost a total of \$25,500 per year starting in 2023. This would mean about \$2.65 per connection. The increase above is proposing \$1.28, about half of that additional cost. This increase would put funds in reserve for future replacement of equipment and variable chemical costs for 2022.

SEWER – The amount proposed is to increase sewer \$1.75 per month. The funds are depleted in the sewer funds and we are looking to do the pilot study project on the ponds. This increase will generate \$15,000 per year. This will not be enough to cover the depleted funds or the proposed pilot study project of \$50,000, but will cover the additional chemical costs.

Council would like to reserve a rate study sheet comparing other community costs for water/sewer.

Council will review and discuss at the December meeting.

## **Project #97: Delinquent Bills**

Council received a list of delinquent bills for the city for 2021. Deadline for the delinquent payments is November 15, 2021 and the city must certify the amounts to the counties by November 30, 2021.

Motion by Backes, seconded by Anderson, to approve the delinquent bill list and if not paid by November 15, 2021, certify the delinquent bill list to the county by November 30, 2021. Motion Carries  
Absent: Larson

## **Project #237: Lake Association**

Council received a letter from Rebecca Callahan regarding the Lake Association Improvement District.

Council did not motion to proceed with any improvement district.

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

Council received a notice from MN DOT regarding the Hwy 27 Project in 2022. The notice provides a schedule on the next steps in the project and the responsibility of the city during the project.

Gottwald and Wessel met with the Osakis Country Club regarding the temporary easement and were able to get a signed agreement to allow a temporary easement to hook up the existing lines.

**Project #168: Golf Course**

The Golf Course wanted to see if the city council would be willing to plow one pass up the driveway to the golf course club house in the winter to allow residents to drive up and use the hill for sledding.

The Golf Course did not care if we wrecked the concrete because it is not in good shape.

Consensus of the council is for the city crew to plow one pass up the driveway at the Golf Course.

**Project #444: Waste Water Project**

Council received a bill from Flaherty and Hood for September in the amount of \$15,640.93 and a bill from Hall and Associates in the amount of \$4,166.25.

Motion by Backes, seconded by Thornbloom, to approve the bill from Flaherty and Hood in the amount of \$15,640.93 and a bill from Hall and Associates in the amount of \$4,166.25. Motion Carries Absent: Larson

Motion by Larson, seconded by Backes, to adjourn the meeting at 9:20 p.m.

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Mayor – Daniel J. Wessel

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City Clerk/Treasurer – Angela A. Jacobson