

Osakis City Council – Regular Meeting
City Hall – 14 Nokomis Street East
October 14, 2024
7:00 PM

Present: Laura Backes, Dan Wessel, Tim Thornbloom, Alan Larson, Stephanie Finnegan
Others Present: Angela Jacobson, Calvin Uhl, Mark Pomerleau, Travis Middendorf, John Swenstad, Judy Dvorsak, Eric Jacobson, Joe Nathe, Amber Kral, Darrin Lee, Chub Hensley, Natasha Seidel, Jeff Martin, Sherrie Martin, Rick Loxtercamp, Tonya Danielson, Rebecca Peterson (West Central Initiative), Moli Swenstad, Paulette Dunn, Lisa Johnson (Echo Press), Justin Dahlheimer, Curtis Nagel, Reenie Goodwin, Chad Gulbranson

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

Motion by Thornbloom, seconded by Finnegan, to approve the agenda as presented. All Ayes

Motion by Backes, seconded by Thornbloom, to approve the general consent items, including the September city bills in the amount of \$463,102.95, meeting minutes from September 9, 2024, September 30, 2024, October 8, 2024, remove EDA minutes and Fire Department from consent items, add city dump. Finnegan requested to pull Flaherty & Hood bill – Backes did not amend the motion. All Ayes
Naye: Larson

PROJECT 24: LIQUOR STORE

Council received Liquor Store reports:

- Off-Sale total – \$1,469.84
- On-Sale total – \$5,967.60
- Net profit so far for 2024 is over \$45,000.

Larson stated the council wanted Reenie to increase sales so she is just doing her job.

Backes questioned the letter regarding happy hour and that the council is telling you to do it. We want to make it clear that this didn't come from the council – don't throw us under the bus.

Discussed changes of cutting hours – move happy hour starting from 3 p.m. to 4 p.m.

Goodwin gave the council her resignation letter as Liquor Store Manager. As of November 4th, 2024, Goodwin will be paid out for vacation, sick and comp hours per contract.

Motion by Backes, seconded by Thornbloom, to accept Reenie Goodwin's resignation letter. All Ayes

PROJECT #84: BUDGET

Council discussed changes to the 2024 Budget at the last budget meeting:

- Change First Responders budget from \$26,000 to be \$20,000.
- Wages/benefits for the rest of 2024 for the 4th public works employee. Total is \$24,757.

Motion by Finnegan, seconded by Thornbloom, to approve changing the First Responder budget to \$20,000 and to transfer \$24,757 from the street department to the park budget for the 4th public works employee for the rest of 2024. All Ayes

PROJECT #60: CLERK/ORDINANCE

Gulbranson met with Steve Jones (Sourcewell) – 7 letters were sent out with 2 more follow up letters on October 15, 2024.

PROJECT #197: WATER PLANT/WATER TOWER

Eric Meester updated the council at the workshop meeting – with the US made steel requirement, Eagle Construction will be pulling out of the job and coming back when we have the required pumps. Estimated time is 6 to 8 months.

Motion by Finnegan, seconded by Thornbloom, to approve Pay Application #10 for Eagle Construction in the amount of \$78,032.43. All Ayes

PROJECT #178: METERS

Council discussed the cost of the batteries that need to be replaced. Cost per battery is \$176 for a total of \$26,400 for the first 150 batch.

Discussed if the cost of the battery should be split with the city and property owner.

Motion by Backes, seconded by Larson, to approve the city to purchase the first 150 meter batteries. All Ayes

PROJECT #444/60: WASTE WATER PROJECT I & I/ORDINANCE

Council discussed information with Eric Meester at the special meeting on September 30, 2024. Meester mentioned to get bids on the city doing the inspection from the main for each service.

Inflow and Infiltration (I&I) ordinance was reviewed with revisions. Council would like the Planning & Zoning to review this at their next meeting. Council will revisit in November.

PROJECT #102: EDA

Jeff Martin was in attendance to discuss his proposed houseboat business.

Martin wants to put a houseboat on Lake Osakis and look into a boat slip for the other boats.

Discussed the public access:

- Narrow to get in at the public access.
- Would have to put in before the dock goes in and take out after the dock is removed.
- Depth is low in this area.

Martin would like lake access at the beach. Able to launch and remove it at the beach and would store it there if possible.

Martin would also like to put in a boat slip system on the shore by the cemetery. Access would be on the path from the beach and then connect to the boat system. Public fishing dock would be separate.

Boat size is 70 ft long x 16 ft wide.

Larson expressed his disagreement with it at the beach – did not like it there.

Backes stated she thought it was a great idea and would add people to town to have.

Motion by Backes, seconded by Finnegan, to approve the September 23, 2024 EDA minutes. All Ayes

PROJECT #275: PIKE STREET PROJECT / INDUSTRIAL PARK

Council discussed at the budget meeting:

- To bond for the city portion of the project and the EDA would commit funds annually to help make the payment.
- Resolution 2024-18 authorizes commitment from the City of Osakis for \$457,000 and the DEED grant that we will apply for is in the amount of \$385,000.

PROJECT #74: FIRE DEPARTMENT

Travis Middendorf was in attendance and informed the council of the following:

- Received grants from Sourcewell, DNR and CenterPoint.
- Funds to be used to order wild land gear, hoses, equipment and a new Argo.
- Cost of the Argo is \$40,000 – paid mostly by the grants.

Motion by Backes, seconded by Larson, to approve to purchase a new Argo in the amount of \$40,000. All Ayes

PROJECT #452: TOWNSHIP – GORDON

In 2022, the council negotiated a 3-year agreement with Gordon Township to maintain 8th Avenue East (the gravel behind the VFW that leads to Lavens Lake View Dr). This is the boundary line between the city and township.

There has been a \$500 annual fee since 2013.

Suggestions to the renewal agreement is to add the following language:

- If gravel needs to be added to the road that the city and township would share the cost equally after both parties agree to add the gravel to the road.

Motion by Larson, seconded by Thornbloom, to approve to have Quistorff and Jacobson work with Gordon Township to add this and see if we raise the fee or split the gravel. All Ayes

OPEN FLOOR

Mark Pomerleau asked about the water. Jacobson read Eric Meester's letter regarding the meters need to be approved by Rural Development and they do not meet specs. Maybe 10 to 12 weeks or 20 to 22 weeks.

Pomerleau also asked about the boat access for use at the beach access if the boathouse is allowed.

Calvin Uhl (police union steward) – asked to have Wessel step off the negotiating committee and to have Larson be the police liaison.

Jacobson stated – shame on my co-workers for making a public spectacle as a political stunt to display comments this way. The city has had meetings for staff discussion of concerns.

Jacobson also commented – that since we are talking, I would request Larson not come into the city hall office to talk to the staff or myself.

Joe Nathe – rumors of miss managed funds asked if we have looked into a forensic audit.

Justin Dahlheimer commented that he was on the council for 4 years and the audits were good – funds were not being miss managed. Dahlheimer supports the city – audits came back clean and doesn't want more city tax dollars spent on another audit. He explained that the misunderstanding is of how budgets work and trust the people working on them – those people would know of transparent situations. Tense situations are when we use dollars for the purpose people do not understand. The city finances and management is in good hands – trying to keep taxes at a level that's appropriate.

PROJECT #312: OSAKIS BEAUTIFICATION TEAM

Amber Kral was in attendance and asked the council if the city funds or pays for the Beautification Teams. Council responded – no.

Kral stated that she does not get paid. Kral recruits students, teachers, volunteers who have donated thousands of hours to help clean up town.

Kral has donated her time and money, both as a business and personally but has been criticized for living in the country. Kral commented that if people don't like out of town people working on projects then more in town people need to get involved – step up and help out.

PROJECT #7: COMMUNITY CENTER

Al Neumann has been working to get bids for insulation and heating of the back room at of the Community Center:

- Engle Electric – \$2,395
- Builders FirstSource – \$10,171.84
- Prairie View Construction – \$11,225
- Total Cost – \$23,791.84

Currently have \$13,762.65 left from the Olson funds. Al Neumann said the Senior Club could cover most of the cost and will request more money from the Olson funds.

Discussed the old cabinets in the backroom – council stated if someone can use them, they can take them.

Motion by Finnegan, seconded by Thornbloom, to approve insulating and heating the back room of the Community Center. All Ayes

PROJECT #481: WATER/SEWER PRIVATE UTILITY BILL

Bonnie Jacobs was at the last council meeting to request a reduction in the amount of the utility bill for Jacobs Lefse Bakeri. Normal bill is between \$77 and \$94 per month. The June bill was \$194.94 and at the end of the month she was not having water pressure and went in her basement and discovered the water heater was leaking. Total gallons on her July bill was 222,270 for a total of \$2,034.73.

Motion by Larson, seconded by Thornbloom, to approve a 25% refund (\$508.68) and to credit the utility bill for Jacobs Lefse Bakeri. All Ayes

PROJECT #242: WEST CENTRAL INITIATIVE

Rebecca Lynn Peterson (West Central Initiative) was in attendance.

Peterson's presentation included:

- Went through project programs that were done in Osakis.
- 3 funds – 2 Osakis and 1 school.

- Rural democracy – to encourage people to run for public office.

PROJECT #506: COALITION OF GREATER MN CITIES

Derek Lee gave a presentation on behalf of the Coalition of Greater MN Cities and did a recap of the activity during the legislative session.

Lee informed the council what they have been working on during the session:

- 24 million EMS deficit to help payments vs. insurance paid.
- Bonding bill – PFA did not pass.
- Child care.
- Housing zones – keep zoning local.
- Local sales tax moratorium.
- Upcoming events – will be in Alexandria on November 21st & 22nd.

PROJECT #468: SPECIAL EVENT

Council reviewed two Special Event requests:

1. Halloween Trunk or Treat – October 31, 2024. Request to block Central Avenue from AJ's to The Nail Garage and Main Street East from the intersection to Hensley Trucking office from 2:30 p.m. to 5:30 p.m.
2. Holiday Light Parade/Fireworks – December 6, 2024. Request to block streets as per map. Closing streets from 5:30 p.m. to 9:00 p.m. Fireworks sponsored by the Osakis Chamber but the city will get the liability insurance for the fireworks.

Motion by Finnegan, seconded by Backes, to approve the Special Events for Halloween Truck or Treat on October 31, 2024, Holiday Light Parade/Fireworks on December 6, 2024 and to block streets as presented. All Ayes

PROJECT #505: LAVENS LAKE VIEW DR

Paulette Dunn was at the last council meeting to discuss the option of paving Lavens Lake View Drive and 8th Avenue East. The council made a motion to move forward with a feasibility study. Cost of the feasibility study is \$3,000.

Mayor Wessel removed himself from this discussion.

Motion by Finnegan, seconded by Larson, to approve to complete a feasibility study and to amend motion to 92.48 Ordinance to verify water/sewer assessment policy. Ayes: Backes, Thornbloom, Larson, Finnegan Abstain: Wessel

PROJECT #249/60: PLANNING & ZONING – ORDINANCE

Council reviewed Resolution 2024-31 to approve to allow Maynard Michels to have a siding and window business on the property at 45 Main Street West. Conditions include no more than 6 sheds at one time outside, existing pile of junk removed within 60 days, permit required if other improvements are needed.

Resolution 2024-31 was presented by Backes, seconded by Thornbloom, to approve a Conditional Use Permit for Maynard Michels at 45 Main Street West. When put to a vote, the resolution passed unanimously.

Council reviewed a draft copy for cannabis:

- Cost is \$10,000 to apply.
- Ordinance details has limitations.
- More compliance checks – 2 times per year.

Motion by Finnegan, seconded by Thornbloom, to approve the September 19, 2024 Planning & Zoning meeting minutes. All Ayes

PROJECT #110: GAMBLING

Jason Schultz is requesting approval for a One Day Gambling License for Osakis Sportsmen’s Club on April 26, 2025 to be held at the Osakis VFW.

Resolution 2024-32 was presented by Thornbloom, seconded by Finnegan, to approve a One Day Gambling License for Osakis Sportsmen’s Club on April 26, 2025 to be held at the Osakis VFW. When put to a vote – Ayes: Wessel, Backes, Thornboom, Finnegan Abstain: Larson

PROJECT 110-1: GAMBLING

The next meeting of the EDA and Gambling Organizations is scheduled for October 21st, 2024 at 6:00 p.m.

Items added to the agenda:

- Contract length and businesses for pull tabs.
- Forms for requests.

PROJECT #94: GAS BID

Council received the gas bid from Deluxe Oil for 2024. Deluxe Oil has informed the city they will no longer be selling gas/diesel at the pumps as of November 8, 2024. They will continue to provide and deliver bulk diesel.

Jacobson contacted Brothers Market about charging for fuel at their station. The Police Officers are currently charging there for overnight hours.

Council will go out for bids for 2025 but will work with Brothers Market for the rest of 2024.

PROJECT #89: ATTORNEY

Council received a letter from Thornton Law Office stating they will no longer be servicing the City of Osakis as of January 2025.

Joe Krueger from Quinlivan & Hughes in Long Prairie has been referred. Jacobson has also reached out to Swenson Lervick Law firm in Alexandria. Jacobson has requested information on services they cover and what rates the city would have to pay.

Gulbranson stated he would like to continue to use Megan Burkhammer at Thornton Law Office for police prosecution.

Council will review terms and attorney fees/services at the November meeting.

PROJECT #447: TOBACCO LICENSE

Council received a letter from the MN Attorney General’s office regarding E-cigarettes and oral nicotine pouch products.

PROJECT #321: VISITOR’S CENTER

Total cost for staffing this past summer was \$4,870 for the Visitor’s Center. A \$500 donation was received for staffing.

Council received a list of expenses and revenues for the summer and tally of visitors for 2024.

PROJECT #213: BEACH/LIFEGUARD

Total cost for staffing at the beach this past summer was \$4,345.53.

PROJECT #427: RESIDENTIAL LETTER

Council received the Residential Letter that will be sent out in October.

PROJECT #319: WEBSITE – COMMUNICATION

Mayor Wessel discussed how we can communicate better with the public. Suggestions were to meet the council members, on the website and Facebook pages.

PROJECT #387: CROSSWALKS

Mayor Wessel discussed how we can have better public safety when crossing the highway. Council suggested talking about public safety with Gulbranson on what can be done.

PROJECT #286: DONATIONS

Resolution 2024-29 was presented by Finnegan, seconded by Larson, to approve donations to the City of Osakis for the purposes of the First Responders, Beautification Team (Park Equipment & Improvements), Fire Department and Community Center. When put to a vote, Resolution 2024-29 passed unanimously.

PROJECT #369: CENTERPOINT ENERGY

Council received information from CenterPoint Energy regarding a rate increase.

PROJECT #196: FEE SCHEDULE

Council received the 2024 Fee Schedule. Each department should review the fees and give any suggested changes.

Items that will be checked on include:

- Amount in Storm Fees savings.
- Amount increasing of \$1. Storm fee is \$9,251.
- Cost of Special meeting – \$750 to \$375.

Motion by Backes, to reduce the amount for a special meeting. No second. It was discussed why the cost is higher and Backes rescinded the motion.

PROJECT #373: POLICIES

Larson questioned why he could not get emails about the policy from the attorney.

Jacobson stated it is attorney/client privilege. Council is the client – not each council member.

The council would need to make a motion to request emails as the client.

Finnegan stated she felt there were spelling errors in the policy and duplicates. She was unimpressed.

Backes stated why would be waste city resources and time to get this. We have a policy we have been waiting for four years and we need to move forward.

Larson wants to see what our attorney said and Flaherty and Hood.

Motion by Finnegan, seconded by Larson, to approve to get emails on the personnel policy. Ayes: Larson, Finnegan Against: Wessel, Backes, Thornbloom Motion fails.

Motion by Finnegan, seconded by Larson, to adjourn the meeting at 9:30 p.m. All Ayes

Mayor – Daniel J. Wessel

City Clerk/Treasurer – Angela A. Jacobson