

TO: OSAKIS COUNCIL

PROJECT NUMBER: 84

PROJECT NAME: Budget 2027

PREPARED BY: Clerk Jacobson

INFORMATION FOR THE COUNCIL:

ATTACHMENT:

The proposed budget for 2027 will be sent by email for the council's review. I am still working on finalizing the general fund numbers and will send that out separately, and have copies at the meeting.

The council will need to set up a budget review date either the end of August or the beginning of September. Have a few dates available at the meeting to set up a date that works for everyone.

PROJECT BACKGROUND:

MY CONCERN/QUESTION/SUGGESTION IS:

RECOMMENDED ACTION:

A motion by 2nd by to approve/deny

All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 74

PROJECT NAME: Fire

PREPARED BY:

INFORMATION FOR THE COUNCIL:

ATTACHMENT:

MY CONCERN/QUESTION/SUGGESTION IS:

Fire Department A/C unit went out at the firehall. They received two quotes for the project and moved forward with Mission Mechanical. Could like council approval for the purchase of the A/C unit.

RECOMMENDED ACTION:

**Motion by
All Ayes**

2nd by

to approve/deny

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 205

PROJECT NAME: Public Works

PREPARED BY: Clerk Jacobson/ Superintendent Quistorff

INFORMATION FOR THE COUNCIL:

ATTACHMENT: Public works report, resolution to purchase truck, Nero invoice

MY CONCERN/QUESTION/SUGGESTION IS:

Quistorff would like to purchase a new pickup truck for public works. Sourcewell has an impact grant that can be applied for on behalf of the city. The impact funds would be for up to \$50,000. Grant is due by September 23rd, and requires a resolution passed by the council to apply for the funds.

The new truck would replace the 2004 pickup truck for public works.

Shop building: The public works building site plan is still being worked on. Tim Thornbloom wanted to share a video of the rain that enters the building during a rain event. This will be shown at the council meeting.

Nero invoice attached explains the charge for GIS and Diamond Mapping work.

RECOMMENDED ACTION:

- Approved moving forward with the grant application for the pickup truck.

A resolution 2026-23 by 2nd by to approve the grant application or a new public works pickup truck, and Nero invoice 1494 for \$880.00.

All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 312

PROJECT NAME: Beautification Team

INFORMATION FOR THE COUNCIL:

ATTACHMENT: Beautification sheet

No update from the Beautification Team

MY CONCERN/QUESTION/SUGGESTION IS:

RECOMMENDED ACTION:

A motion by 2nd by to approve/deny
All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 501

PROJECT NAME: Park & Recreation Meeting

PREPARED BY: Clerk Jacobson

INFORMATION FOR THE COUNCIL:

ATTACHMENT: 7-28-26 meeting, RFP for project manager

MY CONCERN/QUESTION/SUGGESTION IS:

RFP for project manager at risk deadline is August 17th at 4:30 pm. Attached is the RFP information. I have had three inquiries for the project information.

We are looking for members for the Park and Recreation board. We have put it on facebook for interested parties from the public. If the council is aware of anyone interested in serving on the board, have them contact cityhall.

A motion by 2nd by to approve Park and Recreation meeting minutes 7-28-26.

All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 102

PROJECT NAME: EDA

PREPARED BY: Clerk Jacobson, Lynnette Swenstad

INFORMATION FOR THE COUNCIL:

ATTACHMENT: EDA minutes 7-27-26

MY CONCERN/QUESTION/SUGGESTION IS:

Attached are the EDA minutes. The EDA board is in need of one member as a school representative. Judy was going to reach out to the school to see if they had anyone who would want to be included in the EDA board.

Council will need to appoint someone to fill the remaining term of Justin Dahlheimer his term will be up in 2031.

RECOMMENDED ACTION:

A motion by 2nd by to approve/deny

All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 408

PROJECT NAME: Street Vacation – Park Osagi

PREPARED BY:

INFORMATION FOR THE COUNCIL:

ATTACHMENT: map, request, and resolution

At the May meeting, the Council adopted Resolution No. 2026-16, calling for a public hearing on the proposed vacation of Elm Avenue. The required notice was sent to the Minnesota Department of Natural Resources (DNR) on May 26, 2026, initiating the 60-day comment period. To date, the city has not received any comments from the DNR regarding the proposed vacation.

Notices were mailed to the abutting property owners on July 20, 2026, and the public hearing was published in the official newspaper. The public hearing is scheduled for August 10, 2026, at 6:30 p.m.

Attached for the council's reference is an aerial image identifying the area proposed to be vacated, highlighted in blue. Nyberg Survey will provide the legal description of the property to be vacated at the Council meeting.

Following the public hearing, the Council will need to consider the attached resolution to proceed with the street vacation.

It is important to note that this action does not vacate the existing roadway that runs through Osagi Park. Rather, it vacates the original platted street right-of-way that was dedicated when the development was established.

Motion by _____ 2nd by _____ to open the public hearing at 6: ____ pm and suspend the regular meeting. all ayes

Public present should have two minutes to comment on the vacation request.

After the public has commented, the council will close the public hearing and go back into regular session to discuss how to proceed.

Motion by _____ 2nd by _____ to close the public hearing at 6: ____ pm and open the regular meeting. all ayes

MY CONCERN/QUESTION/SUGGESTION IS:

RECOMMENDED ACTION:

A resolution by _____ 2nd by _____ to approve resolution 2026-25 for the vacated street of Elm Street as described in the legal description.

All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 510

PROJECT NAME: 2nd Ave E and Pike Street E project

PREPARED BY: Clerk Jacobson and Laura Ostlie Bollig

INFORMATION FOR THE COUNCIL:

ATTACHMENT: Task #4, email

At the July council meeting, the council reviewed proposals from WSB and Bollig Engineering for the 2nd Avenue East and Pike Street East Improvement Project. The council approved moving forward with Bollig Engineering and authorized Task #3 for engineering services at a fee of 17% of the project cost. The council also approved task #4 for funding assistance.

After the meeting, I reviewed task #4 in more detail and had several questions regarding the proposed fees. The agreement includes a \$5,000 annual fee to apply for funding, along with a 5% fee on the total amount of funding secured and approved by the council for funding administration. I have attached the email explanation for task #4.

I contacted Laura Ostlie for clarification on the scope of these fees. Based on our discussion, the 5% fee would apply not only to grant funding but also to low-interest loan programs and traditional bond financing. This was different from my understanding during the council meeting.

Because of this clarification, I wanted to bring task #4 back to the Council for further discussion before moving forward. The agreement has not yet been executed with Bollig Engineering.

I would suggest that the 5% funding administration fee apply only to grant funding or other outside funding sources secured on the city's behalf, and not to bond proceeds or financing already available to the City. In addition, I would recommend that the fee apply only to future funding secured and not to funding that has already been obtained.

Laura Ostlie will be in attendance at the meeting to discuss the proposed agreement and answer any questions the council may have

Project Background

The City of Osakis is continuing efforts to address inflow and infiltration (I&I) as part of its settlement agreement with the MPCA and adopted I&I Reduction Plan. The City has completed extensive system televising and identified remaining segments of vitrified clay pipe (VCP) requiring evaluation and potential replacement. As identified in the Facility Plan and subsequent amendment, approximately 4,600 linear feet of VCP sewer remains within the system, including portions of Pike Street, 2nd Avenue East, Central Avenue, and Main Street. WSB has completed a review of the available televising data and coordinated with City staff to evaluate current system conditions, identify I&I risks, and develop a recommended approach for addressing the remaining VCP infrastructure. The Main Street Reconstruction Project is replacing existing VCP infrastructure on Main Street. The remaining segments to consider are shown below:

MY CONCERN/QUESTION/SUGGESTION IS:

RECOMMENDED ACTION:

A motion by 2nd by to approve Task #4 with the acception of funding that is receiving
by bonding funds.

All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 49

PROJECT NAME: Main Street Project – Sanitary Sewer Replacement

PREPARED BY: Clerk Jacobson

INFORMATION FOR THE COUNCIL:

ATTACHMENT: Later line letter and agreement, initial letter, WSB project proposal

WSB project proposal to complete the Main Street Construction project, amount \$271,088.

A preconstruction meeting was held on July 20 with Joe Riley Construction to review the project plans. He anticipates starting construction at the end of August, although a firm start date has not yet been established.

The city requested pricing from Riley Brothers to complete the sewer lateral replacements for properties that require them. They have indicated they would complete lateral line replacement for \$1,246 per hour. If Riley Brothers is unable to complete the work, the city will obtain pricing from private contractors who could perform the replacements if needed.

I have attached, for the Council's information, copies of the letters that have been drafted for the affected property owners. These letters will be mailed as soon as possible to notify residents whose sewer laterals will need to be replaced. An agreement has also been prepared that would allow residents the option of having the city's contractor complete the work on their behalf.

WSB has identified the properties that will need sewer lateral replacements. During the inspection process, several laterals did not pass inspection. Some of these laterals currently have dual service connections. In order to disconnect the shared connections and provide each property with its own individual sewer service, a new sewer lateral will need to be installed and connected to the appropriate service connection point.

Will discuss at the council meeting.

Background:

The Main Street Project was initiated to address compliance requirements under the MPCA permit related to the City's inflow and infiltration (I&I) issues. The City identified areas with the greatest need based on I&I concerns and street conditions. The Main Street East area was determined to be in need of replacement.

Johnson Jet-Line televised the sewer lines in this area and found that a majority of the properties were experiencing inflow issues and that many lateral lines were in poor condition. Based on this information, WSB was contracted to complete the feasibility study and final design for the project.

Kevin Kruger and Eric DeSmith met with the Council on February 24, 2026, to review the project area and proposed layout. Proposed assessment ranges were discussed at that time but were not finalized for Council review.

In order to proceed with assessing the project, the city must follow the statutory assessment process. Step one is outlined below:

Council set a date for the required public hearing on April 9th, 2026, and held the public hearing. Council approved moving forward with bidding.

Bids were approved at a special meeting after bids were opened on May 18th.

MY CONCERN/QUESTION/SUGGESTION IS:

RECOMMENDED ACTION:

A motion by _____ 2nd by _____ to approve/deny _____

All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 60

PROJECT NAME: Ordinance – Administrative Citation

PREPARED BY: Steve Jones – Chad Gulbranson – Lynnette Swenstad

INFORMATION FOR THE COUNCIL:

ATTACHMENT: Code Compliance notice – Inspection list

Steve Jones completed a code compliance notice because of the complaints received for the property at 310 1st Ave West and planning and zoning concerns. Toby Wiebye received a notice of 10 days to correct his violations. The 10 days will be up Saturday, July 11th. Toby has not completed his work on the property. Steve Jones and Chad Gulbranson will wait until his permit expires at the end of August and then proceed with the violation process.

O Town Tavern requested to have demo funds to tear down their building along the trail on Central Ave. The EDA did not approve funding for the project, as there are no designated funds to help with commercial demo.

No other updates at this time.

MY CONCERN/QUESTION/SUGGESTION IS:

RECOMMENDED ACTION:

A motion by 2nd by to approve/deny
All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 489

PROJECT NAME: Main Lift Station

PREPARED BY: Clerk Jacobson

INFORMATION FOR THE COUNCIL:

ATTACHMENT: Killmer Electric \$71,250

MY CONCERN/QUESTION/SUGGESTION IS:

Attached are pay applications for the Main Lift Station project.

Killmer Electric has been working to complete the Main Lift station project and also the backup generator for the water plant.

Pay application #5 for \$71,250

RECOMMENDED ACTION:

A motion by 2nd by
pay applications 5 for \$71,250.

to approve payment to Killmer Electric for

All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 343

PROJECT NAME: Fireworks - lease

INFORMATION FOR THE COUNCIL:

ATTACHMENT:

Would the council like to set up a time to meet with the country club to discuss the 2027 fireworks?

Background:

For many years, the City has entered into a lease agreement with the Osakis Country Club for the use of its property on July 4th to set up and display fireworks. The lease is primarily used to address liability and insurance requirements associated with the fireworks display, the past cost for lease the grounds was \$1.

This past winter, Public Works Superintendent Quistorff discontinued plowing the road that provides access to the Country Club. The Country Club expressed concerns regarding this change and indicated that they believe there should be compensation for the use of their property for the fireworks display.

Following a meeting of the Country Club Board, the city received a letter requesting \$2,500 for the lease of the grounds for the annual fireworks display.

At the June meeting, the council authorized Craig Dropik to choose the best location for fireworks without paying the extra fee. The fireworks were held at the Two Mile Campground.

July meeting Craig updated the council on the fireworks held at the Two Mile Campground. He stated that it went well and received a lot of positive comments.

MY CONCERN/QUESTION/SUGGESTION IS:

RECOMMENDED ACTION:

A motion by 2nd by to approve/deny
All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 60

PROJECT NAME: Ordinance – I & I

PREPARED BY: Clerk Jacobson/ Cooper Silburn Flaherty and Hood

INFORMATION FOR THE COUNCIL:

ATTACHMENT: Memo to council, Chapter 55 and 90 amendments

MY CONCERN/QUESTION/SUGGESTION IS:

See information in the Main Street project #49 regarding the letters sent for the project and the proposed process forward for this project.

I&I Ordinance Review and Main Street Project Update

The attached memorandum from Flaherty & Hood reviews the city's current Inflow and Infiltration (I&I) ordinance and provides recommendations for updating the ordinance to better coordinate private sewer lateral replacements during street reconstruction projects, including the Main Street East Project.

The Main Street Project has identified several private sewer laterals that did not pass inspection and will need to be repaired or replaced. While the city has the authority to assess the cost of replacing deficient sewer laterals to the benefiting property, the current ordinance does not allow the City to perform the work on private property without the property owner's consent or completing the nuisance abatement process.

To address this issue, the City Attorney recommends amendments to Chapters 55 and 90 of the City Code that would:

- Require property owners with deficient sewer laterals within a street reconstruction project to repair or replace the entire lateral.
- Allow property owners the option to either hire their own licensed contractor or authorize the city's contractor to complete the work, with the cost assessed to the property.
- Establish a "self-help" process that would allow the city to complete the work if a property owner fails to comply after receiving notice, an opportunity to correct the issue, and a hearing before the City Council.
- Clarify that deficient sewer laterals contributing to inflow and infiltration are considered a public nuisance, allowing the city to utilize its nuisance abatement procedures.
- Update the city's nuisance ordinance to specifically include sewer laterals and provide clear authority for cost recovery.

The attorney also recommends the following next steps:

- Adopt the proposed ordinance amendments.
- Compile the final list of properties with deficient sewer laterals.

- Send notices to affected property owners explaining the deficiencies, available options, and required timelines.
- Prepare a consent agreement for property owners who choose to have the City's contractor complete the work.
- Continue exploring grant and loan opportunities that may assist property owners with the cost of sewer lateral replacement.

The proposed ordinance changes will not only assist with the Main Street Project but will also provide the city with a more efficient process for addressing deficient sewer laterals during future street reconstruction projects while ensuring property owners receive the required due process.

The draft ordinance has been included on the city website.

If the council is satisfied with the ordinance change, the ordinance should be read at the meeting a motion made to adopt the ordinance. Usually, we would read at two separate meetings; there is an allowance to waive the second reading if necessary to move forward with an ordinance in a time-sensitive matter.

Ordinance change #149 was read and approved at the July 13th meeting. This ordinance will go in effect following publication. This was completed in July.

RECOMMENDED ACTION:

A motion by 2nd by to approve/deny

All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 444

PROJECT NAME: Waste Water Project

PREPARED BY: Clerk Jacobson, Nero Engineering

INFORMATION FOR THE COUNCIL:

ATTACHMENT: Nero Engineering \$10,696.25

MY CONCERN/QUESTION/SUGGESTION IS:

Eric Meester from Nero Engineering has been working on the wastewater project improvement design. See the invoice and comments

Nero Pay application #1496 \$5,200

RECOMMENDED ACTION:

A motion by 2nd by to approve payment to Nero Engineering for
\$5,200

All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 373

PROJECT NAME: Policies

PREPARED BY:

INFORMATION FOR THE COUNCIL:

ATTACHMENT:

At the July Council meeting, the Council discussed the use of city police vehicles in local parades and who is authorized to drive them. During the Osakis and West Union parades, the police vehicle was driven by Connor Gulbranson, the city's summer lifeguard.

The council requested a review of the city's personnel policy regarding the use of city vehicles. The applicable section of the personnel policy is attached for your reference. After reviewing the policy, I did not find any language that specifically limits the operation of the vehicles, including police vehicles, to certain employees or positions.

As a reminder, the Council adopted the updated Personnel Policy in November 2025. That policy became effective upon adoption, and all employees received a copy of the updated policy.

This topic was also discussed by the Council in 2022. At that time, the discussion reflected that no one other than a police officer or city employee should operate a police vehicle. However, with the adoption of the updated Personnel Policy in 2025, any previous discussions or informal direction that are not included in the current policy have been superseded.

If the Council wishes to place additional restrictions on who may operate City vehicles or police vehicles for parades or other events, the council may amend the personnel policy to provide that direction moving forward.

MY CONCERN/QUESTION/SUGGESTION IS:

RECOMMENDED ACTION:

Resolution presented by
All Ayes

2nd by

to approve/deny

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 468

PROJECT NAME: Special Event

PREPARED BY:

INFORMATION FOR THE COUNCIL:

ATTACHMENT: Taste of Osakis O Town Tavern

Special Event requests:

- Taste of Osakis
 - Location patio and the property beside O Town and the street for the bean bag tournament (on the street)
 - September 12 to 13
 - Chamber blocked sheets, that also will be used for the alcohol area. Each establishment needs to card for and use wristbands for the event. Alcohol must stay in the designated area of the event.
- Immaculate Conception Church
 - Location 306 Oak Street West all events will take place on church grounds
 - August 16th 10:30 am to 5 pm
 - Church festival, food, music, games, alcohol

All have been reviewed and received proper information for the event.
Council should review and approve special events.

MY CONCERN/QUESTION/SUGGESTION IS:

RECOMMENDED ACTION:

A motion by 2nd by to approve the special event and one-day
liquor license for O Town Taven for September 12th and ending at 1 am on
September 13th, and Immaculate Conception for August 16th.
All Ayes

ACTION

8-10-2026

TO: OSAKIS COUNCIL

PROJECT NUMBER: 299

PROJECT NAME: Bonds

PREPARED BY: Jason Murray David Drowns, Angela Jacobson

INFORMATION FOR THE COUNCIL:

ATTACHMENT: 2026A bond information – Main Street Project

Resolution 2026-22 for application or competitive bonds for the project.

Letter from David Drowns – Jason Murray regarding the project, costs, payments.

Bond is for \$1,985,000

Anticipated payment is for 15 years,

Yearly Sewer payment \$ 34,000

Yearly Water payment \$ 24,000

Yearly levy payment \$59,000

Yearly assessments received \$ 72,400

I have asked Jason to provide information for a 20-year payback as an option. I will send that out when I receive it.

MY CONCERN/QUESTION/SUGGESTION IS:

Council will need to pass the resolution for bonding for the Main Street project. The council can decide which term you would like to use to pay back the project costs.

Currently, we have bonds for the following and levy amounts:

2012 project we levy \$28,000 per year for the bond payment. Our last payment is in 2029.

2016 downtown project is paid by assessments and the TIF funds generated downtown.

2017 project is paid by water and sewer fees; there is not a general levy for this project.

Other payments for the water plant and main lift station are paid with water and sewer fees.

RECOMMENDED ACTION:

Resolution presented by _____ 2nd by _____ to approve the 2026-22 to negotiate sale of 1,985,000 in general obligation bonds for 2026A.

Passes unanimously.

ACTION

8-10-2026