

**Osakis City Council
Regular Meeting
September 2, 2008
7:00 PM**

Present: Astleford, Pederson, Tholen, Anderson

Absent: Emerson

Mayor Gary Astleford called the meeting to order at 7:00 p.m.

The Pledge of Allegiance was spoken.

Motion by Anderson, seconded by Tholen, to approve agenda as presented. All Ayes. Absent: Emerson

Motion by Pederson, seconded by Anderson to approve Consent items including City bills in the amount of \$354,935.47, August 4, 2008, meeting minutes, August 11, 2008, and August 18, 2008, special meeting minutes. All Ayes. Absent: Emerson

Project #24: Liquor Store

Joe Ketelboeter was not in attendance.

Project #73: First Responders

Craig Dropik and Pete Erickson were in attendance.

Council received the run totals for the month of August.

Dropik and Erickson informed the Council that there will be eight new members for training. Three will start next week and eight will start in November.

Dropik and Erickson asked about the mileage for those who drive to the class which will be held in Brandon. The course is a ten day class. They will be paid mileage. It was suggested that they carpool.

Dropik and Erickson also informed the Council that a new portable radio is needed. Chief Gilson stated that he has a portable radio that the First Responders can have.

Dropik and Erickson informed the Council that new jump bags are needed. Chief Gilson stated that they can get them for free by donation.

Each new member will sign an agreement when starting, requiring them to participate for one year and make 20% of the calls or pay for the training themselves.

Project #74: Fire Department

Mark Pomerleau was in attendance.

Pomerleau reported to the Council that the department has been on two calls this month. The first was a gas leak call and the second was two people on a jet ski lost in the water on Lake Osakis. They were okay when found.

The Council approved to advertise for bids for a new fire department pumper/tanker truck at their August 4, 2008 meeting. Three bids were received and opened on August 29, 2008, at 3:00 p.m.

Committee members present: Ray Euerle, Mark Pomerleau, Jon Backes, Dale Niehaus, and Chris Randall.

The committee reviewed the bids for the new pumper/tanker truck. Tonye's bid was found to have 32 non compliant specification differences.

Custom Fire would meet all specifications and the committee recommends Custom Fire to build the new truck.

A Resolution was presented by Anderson, seconded by Tholen to approve the Fire Department Pumper/Tanker truck to Custom Fire for \$284,980.00, on the recommendation of the committee. When put to a vote the Resolution passed unanimously. Absent: Emerson

Custom Fire offers a pre-payment option. Backes discussed the prepayment option. Clerk Jacobson will discuss with Backes.

Project #76: Police

Mark Gilson was in attendance.

Council received the August Police report.

Gilson informed the Council that the grant for a new defibulator will be \$2,000.00. VFW will be donating money for a new rifle for the squad cars.

Project #205: City Crew

Ron Kleinschmidt was in attendance.

Council received the August report.

No bids were received for insulating the shop.

City will address signage when the projects are done for 1st Avenue East and 8th Avenue East.

Project #147: First Avenue East Project

Council received change orders for the First Avenue East Project.

Change #1 is an increase of \$12,929.21 for the removal of extra base course. This would be a cost to Douglas County and they must approve this change order.

Change #2 is an increase of \$960.00 to add tracing wires to the project.

The Council was informed that they will be paving by Friday.

Pictures were taken on September 1, 2008, to show the progress on the project at that time. Late penalties for the project are \$1,000.00 day.

Council will see how this week goes before implementing fees.

A Resolution was presented by Pederson, seconded by Anderson, to approve change order #1 for \$12,929.21 for the removal of extra base course, and #2 for \$960.00 to add tracing wires to the project. When put to a vote, the Resolution passed unanimously. Absent: Emerson

Project #396: 8th Avenue East, Osage and Nestor Street Project (East Side)

Kleinschmidt updated the Council on the progress. Kleinschmidt stated that the milling is complete. Discussion was held for future projects to travel on designated truck routes so the trucks travel on streets that can handle the loads.

City is still working with DOT on the project for the storm water.

Project #249: Planning and Zoning

Council received the Planning and Zoning minutes from the August 21, 2008 meeting.

The Council received a Resolution for a 187.3 square feet impervious surface coverage variance for Paul and Julie Backes at 604 Lake Street East.

Also, the Planning and Zoning Commission recommends to the Council the approval of the Osakis Channel Cooperative of ownership to the individuals.

Motion by Tholen, seconded by Pederson to approve the Planning and Zoning minutes for August 21, 2008. All Ayes. Absent: Emerson

A Resolution was presented by Tholen, seconded by Pederson to approve the 187.3 square feet impervious surface coverage variance for 604 Lake Street East. When put to a vote, the Resolution passed unanimously. Absent: Emerson

Project #413: Wireless Tower

Council received the lease agreement dated August 26, 2008.

The items changed:

- #1C: Change to 6 antennas and 1 dish. Council approved 3 antennas and 1 dish at the last meeting.
- #2: Change to a 15 year lease.
- #3A: Changed to \$150.00 or \$100.00 with wireless internet service.
- #3B: Does not have the internet service option – should this be added?
- #4B: Overtime will be paid for call out of the City Crew.
- #1A: Kleinschmidt has been working with Wisper Wireless on the details for the towers. Exhibit A on the agreement is a plan to put up a 12 x 10 building on the City property with an 18' x 20' fence around the building. Was the Council aware of the building being placed on City property?

Items discussed:

If the waterplant is built on this location, the building would not be in the way on the southeast corner of the property.

Council does not like the idea of the building.

Council does not like the 15 year lease.

Council will agree to 15 year lease, 6 antennas, rent of \$250.00 & \$350.00, and no building.

Motion by Pederson, seconded by Astleford to approve Wisper Wireless to put 6 antennas and 1 dish on the water tower, with a 15 year contract, \$250.00 per month for the first 3 years, \$350.00 per month thereafter, and no building will be on the property. For: Anderson, Astleford, Pederson Against: Tholen Absent: Emerson

Project #42: Clean Up Day

Council received a letter from Jeff Bertram from West Central Sanitation.

Clerk Jacobson talked with Bertram. West Central Sanitation will reimburse the City \$200.00 for fuel.

The cost for fuel for the yard cleanup truck was \$147.00.

Bertram was very willing to work with the City on the fuel reimbursement.

Bertram and Clerk Jacobson discussed putting a cap on the fuel amount for the Clean Up Day in 2009.

Project #50: Transfer

Clerk Jacobson is requesting the Council to approve the transfer of funds for the following to the project funds for 1st Avenue East and 8th Avenue East.

Street Equipment:	\$100,000.00
Street Maintenance:	\$100,000.00
Liquor Store:	\$100,000.00
Sewer Reserve:	\$65,000.00
Water & Sewer Connection:	\$8,000.00
Total:	\$373,000.00

Clerk Jacobson is also requesting the Council to approve the transfer of \$30,201.00 from the Liquor Store fund to the 610 fund for the Lake Street Project to close that bond.

Motion by Pederson, seconded by Anderson, to approve the transfers totaling \$373,000.00 to the project funds as listed above and \$30,201.00 from the Liquor Store fund to close the Lake Street Project bond. All Ayes. Absent: Emerson

Project #79: Audit – Auditor

Council received the letter that Clerk Jacobson had sent to the State Auditor.

Clerk Jacobson stated the Auditor called and stated that they like the progress the City has made and gave some information on wireless transfers.

Project #84 & 358: Budget – Setting the Tax Levy

Council received the summary letter regarding the changes made at our last budget meeting.

Council also received the budget for 2009. Note that \$71,120 was cut out of our general fund. This is a 5.9% decrease.

An additional \$15,000.00 was taken from the Liquor Store and \$2,150.00 from the pull-tab rent money.

The tax levy increase for the general fund is \$22,000.00, which is a 5.6% increase.

The City must also levy for the 1st Avenue East and 8th Avenue East, Osage, and Nestor Projects for a total of \$47,536.00 for 2009.

This would increase our levy amount to \$69,536.00. This is a 17.8% increase from 2008.

The City's total levy for 2008 was \$389,500.00.

The City's total levy for 2009 will be \$459,036.00.

Motion by Pederson, seconded by Tholen to approve the budget for 2009 as presented with the special revenue funds. All Ayes. Absent: Emerson

Motion by Pederson, seconded by Anderson to approve to certify the levy of \$459,036.00 to the county by September 15th, 2008. All Ayes. Absent: Emerson

Project #167: Tax Increment

Council received two Resolutions for approval:

- #1: Resolution 2008-36 is for the decertification of the TIF District 1-3 for Maus and Lindrite to be effective as of November 7, 2008. This is the date that the district was set up to decertify.
- #2: Resolution 2008-37 amends the TIF District 1-7 for the Industrial Park. The change is being made to take out the small City exemption because we are closer than 10 miles from Alexandria due to their annexation.

Council received the 2007 TIF Reports from David Drowns.

A Resolution was presented by Pederson, seconded by Tholen, to approve the decertification for TIF District 1-3. When put to a vote, the Resolution passed unanimously. Absent: Emerson

A Resolution was presented by Tholen, seconded by Anderson, to approve the amendment to TIF District 1-7 for the Industrial Park. When put to a vote, the Resolution passed unanimously. Absent: Emerson

Project #192: Truth in Taxation

Meeting must be set for a Truth in Taxation hearing in December.

Motion by Anderson, seconded by Pederson, to approve to set up a Truth in Taxation hearing to be held on December 1, 2008, at 7:00 p.m., and a continuation meeting to be held on December 9, 2008, at 6:00 p.m. All Ayes. Absent: Emerson

Project #255: Consultant

Council received a letter and agreement to contract services with Municipal Development Group.

This contract is only on an as needed basis, and will not cost anything if not utilized.

Approving this contract gives the City the opportunity to utilize the services when needed if a development comes to Osakis. At that time, the City would contract Municipal Development Group and the developer would pay the fees for their services.

Motion by Anderson, seconded by Tholen, to approve the contract with Municipal Development Group for consulting services. All Ayes Absent: Emerson

Project #181: Blocking Street

The Chamber of Commerce has asked permission to close Central Avenue from Main Street to Lake Street and part of Loon Street on September 6, 2008, for the Quilts Along the Trail event.

Motion by Anderson, seconded by Tholen, to approve the blocking of the street on Central Avenue from Main Street to Lake Street and part of Loon Street on September 6, 2008. All Ayes. Absent: Emerson

Project #310: Black's Resort – Blocking Lake Street

Black's Resort is tentatively scheduling to pull the docks out on Saturday, September 27, 2008. They are asking for the Council's permission to block Lake Street from about 9:00 a.m. to 3:00 p.m.

Motion by Tholen, seconded by Anderson to approve Black's Resort to block Lake Street on September 27, 2008, for dock removal. All Ayes. Absent: Emerson

Project #417: Flex-Term Finance Group – MN Rural Water

Clerk Jacobson was contacted by Ruth Hubbard from MN Rural Water about being one of the five initial members for the MN Flex-Term Finance Group.

This new group gives MN Rural Water the ability to borrow \$10,000,000.00 more to help other small communities with low interest bonds. Council received the e-mail from Clerk Jacobson.

Clerk Jacobson discussed this with Council Member Pederson and he would be interested in sitting on the board to represent Osakis.

A Resolution was presented by Anderson, seconded by Tholen to approve the City of Osakis to be a member of the MN Flex-Term Program and to appoint Pederson as the representative for the City of Osakis. When put to a vote, the Resolution passed unanimously. Absent: Emerson

Project #143: Cable TV

Council received a letter from Charter Communications. The letter announced that Charter Communications and the FOX Network have reached an agreement regarding carriage of the Big Ten Network in Minnesota.

Motion by Anderson, seconded by Pederson to adjourn meeting at 8:50 p.m. All Ayes.

Mayor - Gary L. Astleford

City Clerk – Angela A. Jacobson