

**Osakis City Council  
Regular Meeting  
February 2, 2009  
7:00 PM**

Present: Emerson, Gulbranson, Olson, Pederson, Anderson  
Absent: None

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

Pledge of Allegiance was spoken.

Motion by Gulbranson, seconded by Anderson, to approve the agenda as presented. All Ayes.

Motion by Pederson, seconded by Gulbranson, to approve consent items, including January City bills in the amount of \$387,080.73. All Ayes.

**Project #73: First Responders**

Craig Dropik and Pete Erickson were in attendance.

Council received the Run Report for the month of January.

**Project #74: Fire Department**

Mark Pomerleau was in attendance.

The new members of the Fire Department are:

Brian Ferris  
Travis Middendorf  
Craig Dropik  
Dirk Hagedon

Pomerleau informed the Council that the department will need two more members in 2009.

Council received a resignation from Mike Foster, but Foster will not receive payment for his pension until he reaches fifty years old.

Pomerleau informed the Council they will advertise for bids to sell an old fire truck. Pomerleau will get Clerk Jacobson the bid sheet.

**Project #76: Police**

Chief Gilson was in attendance.

Council received the January Police Report.

The Police Department received a grant for \$1,500.00. The grant will be used for a new Defibulator at a cost of \$2,200.00.

## **Project #205: City Crew**

Ron Kleinschmidt was in attendance.

Kleinschmidt informed the Council that 3.53 million gallons of water was produced with 5 million gallons of sewer pumped.

Council received the DNR Report for 2008.

Kleinschmidt informed the Council about a water conservation plan. This plan includes the reduction of unaccountable water that is pumped from 34% to 10%. At this time, all meters in the water plant were sent in to be calibrated so they know that the production numbers are correct. Kleinschmidt is keeping track of the water usage for the softener regeneration and back washing the filters. Items that will be addressed in the future include monitoring bulk water purchases, install meters in all city buildings, and keep track of the water usage for flushing the hydrants.

Kleinschmidt is asking the Council's permission to attend the Water & Wastewater Conference in March at a cost of \$160.00.

Motion by Olson, seconded by Anderson, to approve Kleinschmidt to attend the Water & Wastewater Conference in St. Cloud in March at a cost of \$160.00. All Ayes.

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

The Liquor Store Committee of Jerry Olson, Keith Emerson, and Joe Ketelboeter met with Dan O'Brien on January 22, 2009, at Carlos Corners, regarding an off-sale liquor establishment located at the Gas Mart location.

At that time, an offer was made to the committee which included Dan O'Brien constructing the building, staffing the business, and operating the Off-Sale Liquor Store at the Gas Mart location in Osakis. The City would receive \$40,000.00.

Clerk Jacobson checked with the State Alcohol Enforcement and the City cannot allow O'Brien to operate a Liquor Store under the City's license. It could be allowed if the City would lease the building from O'Brien, and the City would receive the proceeds from the sales.

Dan O'Brien was in attendance with three other options for the City to consider.

1. It would be City run, and O'Brien would manage the Liquor Store.
2. City leases and runs the Liquor Store. O'Brien would help with the purchasing of the inventory for the store.
3. City dissolves the off-sale at our current location and issue O'Brien the license for off-sale. The City would receive the proceeds.

O'Brien will put together another proposal and meet with the committee. Once the proposal is complete; O'Brien will call Clerk Jacobson to set up a meeting with the Council.

### **Project #422: NAIFC Ice Fishing Tournament**

Phil Reed was in attendance. As noted in the Chamber minutes, the total funds raised from the Chamber members were \$1,700.00. Other non-members had been contacted for support also. A total of \$8,500.00 is needed to host the event.

A lot of people are not willing to put any money towards the event. They are in doubt that the investment will pay off for them.

Consensus was not to host the ice fishing contest.

### **Project #170: Osakis Chamber**

Council received minutes from January 21, 2009, and the balance sheet from January 13, 2009.

Just recently, Clerk Jacobson was informed that the Osakis Review was possibly going to occupy a space in the Visitor's Center Building. This information was from the Chamber minutes.

The minutes also indicate that the discussion included renting the space for \$100.00 a month. The City currently pays the utilities and owns the building and should be involved in making this decision.

There should be much consideration before deciding to rent out a space in this location. Other businesses in the community may have spaces to rent and the City would then be in competition with them. Does the City want to get into the business of renting out office space? Can anyone use office space at the Visitor's Center Building?

Phil Reed was in attendance to discuss this issue.

Discussion was held to have the Review use the Visitor's Center one day a week. Council does not want to set precedence for others.

Motion by Olson, seconded by Anderson, to approve the use of the Visitor's Center one day a week if needed for interviews. All Ayes.

### **Project #16: Pay Equity/Comparable Worth**

Council received the Pay Equity/Comparable Worth Report that is required to be submitted every three years.

Motion by Pederson, seconded by Gulbranson, to approve the Pay Equity/Comparable Worth Report for 2009 as presented. All Ayes.

### **Project #22: City Clerk**

Clerk Jacobson is asking the Council's permission to attend the MCFOA Conference on March 18, 2009, thru March 20, 2009. Cost to attend the conference is \$200.00.

The conference is located in St. Cloud and the room rate is \$85.00 per night for two nights.

Council received the conference agenda.

Motion by Emerson, seconded by Olson, to approve to send Clerk Jacobson to the MCFOA Conference in St. Cloud on March 18, 2009 thru March 20, 2009 for \$200.00. All Ayes.

**Project #50: Transfer**

In 2008, the transfer of \$1,000.00 from the General Fund to the West Evergreen Fund Savings was not on the transfer list for the Council to approve for Capital Outlay.

Motion by Gulbranson, seconded by Anderson, to approve the transfer of \$1,000.00 from the General Fund to the West Evergreen Fund Savings for 2008. All Ayes.

**Project #84: Budget**

Clerk Jacobson attended a League of MN Cities web seminar informing cities of the LGA cuts.

Clerk Jacobson was informed that the cuts are not accumulative.

The cut for 2009 will be \$46,198.00 and for 2010 will be \$50,271.00.

These figures can go up if the forecast is worse than projected.

Council received the Revenue Budget and Expenditure Budget for the final amount for 2008.

2008 Expenditures: \$1,178,411.74

Relocate monies:	-\$210,000.00 (from savings for the 1st Ave E & 8th Ave E projects)
Capital Outlay:	+\$133,500.00 (put into savings)
Capital Outlay:	-\$32,170.70 (spent in the budget)
2008 Revenue:	+\$1,102,163.15

Total:	+\$23,422.11
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The budget sheets also include our budget for 2009 after updating the Union negotiation items.

2009 Expenditures: \$1,083,619.47

2009 Revenues: \$1,079,686.09

Total:	-\$3,933.38
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Council received an e-mail regarding the proposed LGA cuts and a spreadsheet with the LGA cuts for 2009 and 2010.

With the above information, this means the City will have to cut \$26,709.27 from our budget in 2009.

Clerk Jacobson is suggesting that the Council has a special meeting to discuss how to balance the budget and ask that each department look at their budget and see where cuts can be made.

A budget meeting will be set for February 11, 2009; at 5:00 p.m. Cuts will need to be made to reflect the amount of \$26,800.00 for 2009 or \$46,198.00. The Council will decide cuts.

**Project #147: First Avenue East Project**

Council received change order #3 for the project to increase the aggregate base course to class 5.

A Resolution was presented by Anderson, seconded by Olson to approve the Resolution for Change Order #3. When put to a vote, the Resolution passed unanimously.

**Project #110: Gambling**

Council received a request for a gambling license from Ducks Unlimited. The raffle will be held on April 3, 2009.

A Resolution was presented by Olson, seconded by Gulbranson, to approve the gambling license for Ducks Unlimited on April 3, 2009. When put to a vote, the Resolution passed unanimously.

**Project #262: Selling City Land**

Planning and Zoning made recommendations at their January 22, 2009 meeting regarding the property at 8th Avenue West and Oak Street West.

Council would like to see the property easement. Council also would like to have the property surveyed and staked before the lot is advertised for sale.

Council will table this project until their April meeting.

**Project #325: Ordinance Book – Supplement Update 2**

Council received the supplement update #2 for our ordinance book.

Motion by Pederson, seconded by Gulbranson, to approve the Supplement Update #2 for the Code of Ordinance Book. All Ayes.

**Project #369: CenterPoint Energy**

Council received a letter from CenterPoint Energy regarding their rate increases.

Motion by Anderson, seconded by Olson, to adjourn at 9:10 p.m. All Ayes.

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Mayor – Keith Emerson

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City Clerk – Angela A. Jacobson