

**Osakis City Council
Regular Meeting
February 1, 2010
7:00 PM**

Present: Anderson, Pederson, Olson, Gulbranson

Absent: Emerson

Others Present: Angela Jacobson, Traci Ryan, Rod Femrite, Ron Kleinschmidt, Holly Kovarik, Jim Kral, Pete Erickson, Gretta Petrich, Brian Hiles, Merlin Wolterstorff, Mark Gilson

Acting Mayor Pederson called the meeting to order at 7:01 p.m.

Pledge of Allegiance was spoken.

Motion by Anderson, seconded by Olson, to approve the agenda as presented with the addition of #429 Election Grant and Water/Sewer Bill for 16 Lake Street East (Gary Biser). All Ayes Absent: Emerson

Motion by Anderson, seconded by Gulbranson, to approve general consent items, including January city bills in the amount of \$428,996.21, and January 4, 2010 meeting minutes. All Ayes Absent: Emerson

Project #24: Liquor Store

Joe Ketelboeter was not in attendance.

Project #73: First Responders

Pete Erickson was in attendance. Council received the January Run Report.

Erickson informed the Council that Jennifer Moundson resigned at their last First Responder meeting because she is taking a job out of town.

Project #74: Fire Department

No officers were in attendance.

Project #76: Police Department

Chief Gilson was in attendance. Council received the January Police Report.

Gilson informed the Council that he will need to place an order for parking tickets soon. The parking ticket fee is \$10.00 at this time. Does the Council want to raise the fees before ordering the parking tickets? Gilson has checked with other cities our size, and they are at \$25.00.

Motion by Anderson, seconded by Olson, to approve to raise the parking tickets to \$25.00 based on the average of surrounding cities. All Ayes Absent: Emerson Obstain: Gulbranson

Project #357: Lind Rite Expansion JOBZ Amendment

The original public hearing was going to be about the amendment to JOBZ for Lind Rite Precision, but at this point, the state will not allow an amendment to be done. Lind Rite can look at tax abatement.

With Lind Rite not qualifying for JOBZ, the Council will have to consider if they would allow Lind Rite to have tax abatement for the remainder of the period which is until the year 2015.

Traci Ryan was in attendance. Ryan presented figures on the tax money the city would receive if not in tax abatement.

R. J. Rental when qualified for JOBZ, does not pay taxes. JOBZ exempts them from \$26,000.00 in tax per year. Also a requirement was for them to add four people to have the required thirty-five employees. Currently, they employ thirty-one people.

R. J. Rental would like to look at tax abatement. The city's portion of the taxes would be about \$6,700.00 per year. A maximum of \$30,000.00 for the total of five years.

A business subsidy agreement will need to be filled out and filed with the state.

Motion by Pederson, seconded by Gulbranson, to approve to call for a public hearing to consider tax abatement for Lind Rite Precision, with a five year agreement not to exceed \$30,000.00 on March 1, 2010. All Ayes Absent: Emerson

The Council will decide who pays the \$1,500.00 fee.

The business subsidy will outline that Lind Rite must have thirty-four jobs in the next two years.

Project #205: City Crew

Ron Kleinschmidt was in attendance. Council received the Public Works Report for the month of January.

Kleinschmidt informed the Council that there have been several water meter problems. The first notice is a door hanger that states for the resident to call to make an appointment to fix the meter. Usually there are no calls. The second notice states to call again to make an appointment to fix the meter, but if you fail to call the city will shut the water off.

The consensus of the Council is to go ahead with the door hangers.

Kleinschmidt is requesting himself and Kurt Haakinson to attend the MN Rural Water Association spring training in St. Cloud. Haakinson would test for his Class C license. The training is \$175.00 per person for three days plus additional cost to stay in St. Cloud.

Motion by Olson, seconded by Anderson, to approve Ron Kleinschmidt and Kurt Haakinson to attend the MN Rural Water Association spring training in St. Cloud at \$175.00 per person. All Ayes Absent: Emerson

Council member Anderson asked about having a skating rink. Kleinschmidt thought if the city was going to have a skating rink it should be in a different location. Previous skating rinks were location on Rush Street by 1st Avenue West.

Anderson will check with the school to see if they would have a place for one.

Project #197: Water

Brian Hiles was in attendance to update the Council on the progress of the water plant. Rural Development has reviewed the plans and made comments for Hiles to review and get back to them.

Council received an email from Jeff Scholten or Rural Development.

The Council also received the DNR Water Conservation and Emergency Plan. This plan must be approved by the City Council every three years and then sent to the DNR.

After seven months, the review from Rural Development finally was received. The review engineer said it is one of the best reports he has looked at.

A meeting will be held with Scholten, Hiles, and representatives from the city, to talk about the preliminary grant, loan and payment schedule.

After this information is reviewed, the Council will need to decide on the project.

In March, the city will have the amounts for the grants and loan, a draft copy of the engineer agreement, and then need to call for a public hearing.

Motion by Anderson, seconded by Olson, to approve the adoption for the DNR Water Conservation and Emergency Plan. All Ayes Absent: Emerson

Project #233: Sauk River Watershed District

Holly Kovarik was in attendance to update the Council on the JD2 Sediment Pond and Battle Point Restoration.

Council received the November 17, 2009 meeting minutes.

Kovarik informed the Council on the following items:

- JD2 Sediment Pond was cleaned out this last year.
- 60% of the water in the lake is from the JD2 Pond.
- Purpose of the JD2 Pond is to reduce sediment flowing into the lake.
- In 2000, The City of Osakis petitioned the Sauk River Watershed District for the JD2 Pond.
- A donation from the Osakis OEDC was given to start the project.
- In 2001, a grant was received from BWSR for \$125,000.00.
- The base flow that is three feet and below flows into the JD2 Pond to reduce sediment.
- In 2005, the secondary pond was not deep enough. Changes were made to the pond.
- The primary pond must be cleaned every three to five years.
- The secondary pond must be cleaned every fifteen years.

- The enhancement fee was \$550,101.00 which was assessed to all who benefited in 2003.
- In 2009, contractor's cost to clean out the primary pond was \$13,786.00.

Project #22: Clerk

The MCFOA Clerk Conference will be held on March 17, 2010 thru March 19, 2010 at the Kelly Inn in St. Cloud. Council received a copy of the agenda.

The cost for the conference is \$200.00 and the room cost is \$85.00 per night for two nights.

Clerk Jacobson is asking permission to attend.

Motion by Olson, seconded by Gulbranson, to approve Clerk Jacobson to attend the MCFOA Clerk Conference on March 17, 2010 thru March 19, 2010. All Ayes Absent: Emerson

Project #43: Board of Review

The Board of Review meeting is set for April 13, 2010.

Todd County will be at 9:00 a.m.

Douglas County will be at 10:00 a.m.

A quorum of the Council must be present to hold the meeting.

Pederson and Anderson are certified and one of them will need to be present.

Clerk Jacobson will remind the Council at the March meeting.

Project #50: Transfers

In 2008, the Council chose to purchase a CD to create more interest to help balance the budget. At that time, the money was taken out of the Liquor Store Fund and put into the General Fund.

The auditors want the Council to approve the transfer.

Motion by Anderson, seconded by Olson, to approve the transfer of \$100,000.00 from the Liquor Store Fund to the General Fund. All Ayes Absent: Emerson

Project #56: Insurance

At the January meeting, the Council received a copy of a letter from Joe from the League of MN Cities. His comment was on the city establishing a safety group.

Clerk Jacobson talked to the Lakes Country Service Co-op (Insurance Co-op) and they offer onsite training for members. They will do the training as needed. The first year it would probably be six to seven times a year and then four to five times a year after that. Different topics will be discussed at each meeting.

The cost for these training meetings would be \$1,700.00 per year.

There is also a Regional Safety Group that the city members can be a part of with other cities. All cities would share the cost of the training. The closest group to Osakis is in Fergus Falls. No other cities in our area participates in the safety group. We would have to contact other cities in our area to see who is interested in sharing the cost of a Regional Safety Group.

Clerk Jacobson talked to the City of Fergus Falls and they have six cities in their group now. They meet ten times a year in Fergus Falls and the cost for each is \$1,000.00. The League of MN cities pays for half, so the remaining \$500.00 is split between all cities in the group. The maximum cities allowed in the group are ten.

Council would like Clerk Jacobson to check what the City of Alexandria has for training, and if they would be interested in a safety group, and also see if we can work with other cities in our area.

Project #69: Information to the Council

Council received a notice that Clerk Jacobson received regarding the MN Public Utilities Commission. They have allowed MN Power to increase their rates \$81 million.

Project #80: Garbage

The proposal for the garbage contract ad was put in the paper January 15, 2010 and January 22, 2010.

The deadline for the proposals is February 26, 2010, at 1:00 p.m.

The bids that will be opened will be reviewed at the March Council meeting.

Project #84: Budget

Council received the cash balances, expenditures, and revenues for the year end 2009.

Revenues: \$1,099,310.93

Expenditures: \$ 975,195.95

Balance \$ 124,114.98

Project #110: Gambling

Ducks Unlimited will be holding a raffle on April 16, 2010. They are asking the Council to approve a gambling license.

A Resolution was presented by Olson, seconded by Gulbranson, to approve a gambling license for Ducks Unlimited on April 16, 2010. When put to a vote, the Resolution passed unanimously. Absent: Emerson

Project #242: West Central Initiative

Council received a letter from West Central Initiative asking for \$500.00 of the \$2,500.00 commitment.

Motion by Anderson, seconded by Gulbranson, to approve the \$500.00 to West Central Initiative.

Project #249 & #45: FEMA and Planning & Zoning

At the January meeting, the Planning & Zoning president Tim Nielsen was present to explain to the Council they did not feel adopting the floodplain maps and ordinance would be a good idea.

Council member Pederson stated he would do more checking into the FEMA floodplain insurance and get back to the Council at the February meeting.

Council feels more negative issues will hit the city residents than positive ones. At this time, the Council will not act on this issue.

Project #370: Osakis Information Center & Heritage Board

Council would like to meet with Angela, Lynnette and Mark to look at the Information Center in February.

The meeting has been set for February 10, 2010, at 4:30 p.m. at the Visitor's Center.

Project #395: Overnight Camping – Park Osagi

The National Multiple Sclerosis Society is having a bike ride from Alexandria to Little Falls and would like to use Park Osagi on Monday, July 26, 2010, from 6:30 a.m. to 10:00 a.m. There are about 1,000 bikers expected to be in this bike ride.

Motion by Anderson, seconded by Gulbranson, to approve the National Multiple Sclerosis Society to have a stop at Park Osagi on July 26, 2010, from 6:30 a.m. to 10:00 a.m. All Ayes Absent: Emerson

Project #413: Wireless Tower

At the January Council meeting, the Council wanted Clerk Jacobson to check with other cities that work with New Core Wireless and Paul Vershure.

Clerk Jacobson called the City of Cold Spring and the City of Rockville. Both cities lease a spot on their water tower to New Core. They both are very happy with the relationship and stated New Core is very easy to work with.

The City of Rockville has a five year contract. The first year was \$12,600.00 and increases by 4% each year following.

The City of Cold Spring has a ten year contract. The first eighteen months is \$900.00 a month and after that it is \$1,000.00 base charge and \$125.00 per antenna.

Clerk Jacobson talked with Vershure and he is willing to work with the city, but has concerns since it has been three months since he started the process and hasn't gotten to any agreement.

Council discussed other areas other than the Industrial Park lots. Vershure will be contacted to see if the area by the Liquor Store (Railroad & Hwy easement site) would be enough area for the tower.

Project #429: Election Grant

The city did not receive the 2009 Grant for the handicap buttons at the Community Center, however, the state has additional funds to give for handicap buttons. The City must apply by March 19, 2010.

A Resolution was presented by Gulbranson, seconded by Anderson, to approve to apply for the 2010 state MN EAID grant for handicap assessable areas. When put to a vote, the Resolution passed unanimously. Absent: Emerson

Other Items:

Council member Pederson received a call from Kenneth Biser (father of Gary Biser at 16 Lake Street East) On the January bill the water portion was \$186.33 and sewer portion was \$150.23. A leak was determined at this location. Biser would like the bill reduced.

Council members do not feel the bill should be reduced and will leave it as is.

Motion by Anderson, seconded by Olson, to suspend the regular meeting at 9:15 p.m., and to open a closed meeting in five minutes. All Ayes Absent: Emerson

Acting Mayor – Bruce Pederson

City Clerk – Angela A. Jacobson