

Osakis City Council
Regular Meeting
November 7, 2011
7:00 PM

Present: Jerry Olson, Randy Anderson, Bruce Pederson, Keith Emerson, Chad Gulbranson

Absent: None

Others Present: Lynnette Swenstad, Brian Hiles, Char Rosenow, Mark Pomerleau, Amy Chaffins, EmaJean Zwieg, Ron Kleinschmidt

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

Pledge of Allegiance was spoken.

Motion by Anderson, seconded by Olson, to approve the agenda as presented with the addition of the Homestead Market Value Exclusion Report. All Ayes

Motion by Pederson, seconded by Gulbranson, to approve the general consent items, including October city bills in the amount of \$141,958.22, Landteam's October bill in the amount of \$7,666.50 and the October 3, 2011 meeting minutes. All Ayes Absent: Gulbranson

Project #24: Liquor Store

Julie Blair was not in attendance.

Council received the following reports for October:

- Liquor Store Revenues
- Liquor Store Expenditures
- Liquor Store Sales

Liquor Store Revenue:	\$51,360.46
Liquor Store Expenditures:	<u>\$36,360.74</u>
Total Profit:	\$14,999.72

The council is aware that the off sale counter has not been completed. Blair has contacted Stan Schultz and he will take care of the project when he gets time.

Project #73: First Responders

Craig Dropik was not in attendance. Council received the October run report.

Project #74: Fire Department

Mark Pomerleau was in attendance.

Pomerleau, Chad Mathews and Jon Backes attended the MN Fire Chiefs Convention in October.

Fire Prevention was held in October. The department held an open house at the fire hall but was poorly attended.

Pomerleau informed the council that three members will be retiring in 2012. Chris Randall has taken a leave of absence for one year. In January 2012, ads will be put in the paper looking for new members.

Project #76: Police

Chief Gilson was not in attendance. Council received the October police report.

Project #205: City Crew

Ron Kleinschmidt was in attendance. Council received the October public works report.

Discussion was held regarding a new snow blower. Kleinschmidt informed the Council that the cost of a new blower would be from \$85,000.00 to \$110,000.00. Kleinschmidt will look into finding a used one.

Emerson had been asked about the ditch by Richard Krebsbach's property on Lake Street. Kleinschmidt informed the Council that Punky Didier will be doing the work on the ditch yet this fall.

Emerson also brought up that someone is interested in purchasing the old generator. Kleinschmidt informed the Council that the city may sell the generator on a surplus sale after the move to the new water plant is complete.

Project #197: Water Plant

Brian Hiles was in attendance.

Hiles informed the council that there are two meters that need to be installed. Hiles has contacted Mueller Systems and informed them that if the meters are not installed by November 16, 2011, liquid damages will be imposed.

Hiles informed the council about the water treatment plant. The crane will be arriving on site tomorrow and the walls will start to be set on Thursday. Once the walls are up, the outside work should be complete until spring.

Hiles is working on a change order for the soil that needed to be excavated out of the site. Hiles will have the change order at the December meeting.

Council received the pay application #3 for Northern Plains Contracting for \$71,149.47 for the water treatment plant.

Motion by Anderson, seconded by Emerson, to approve the pay application #3 for Northern Plains Contracting for \$71,149.47. All Ayes

Project #345: Tax Abatement

Char Rosenow, the Douglas County Auditor/Treasurer was in attendance.

At the October meeting, the council discussed the Tax Abatement for Paul Hartmann on the JD2 SRWD assessment for parcel #93-0736-915. The county is asking the city to abate the taxes so they can combine the two parcels.

This parcel is part of the original railroad easement and is valued at \$500.00. Taxes are being paid on both of the buildings.

A Resolution was presented by Pederson, seconded by Anderson, to approve Resolution 2011-24 as presented. When put to a vote, the Resolution passed unanimously.

Project #349: HRA

EmaJean Zwieg from Douglas County HRA was in attendance.

Council received the co-op agreement with Douglas County HRA, Glenwood, Alexandria and Starbuck.

Motion by Emerson, seconded by Gulbranson, to approve the Rental Rehab Grant Cooperative Agreement with the cities of Alexandria, Glenwood, Osakis and Starbuck. All Ayes

Project #43: Board of Review

Council member Pederson will attend the Board of Review Training on November 9, 2011 in Waite Park.

Project #97: Delinquent Bills

Council received a list of the 2011 delinquent bills for Douglas and Todd counties.

Motion by Emerson, seconded by Anderson, to approve to certify the delinquent bills to the county taxes. All Ayes

Project #146: Lodging Tax

Larry Frisch and Lou Gramsey attended the October meeting to discuss the lodging tax and help for the Visitor's Center.

Frisch and Gramset were going to set up a meeting with the Visitor's Center Board to discuss the financial need for 2012. Council member Anderson was going to attend this meeting. No meeting has been scheduled as of this date.

Clerk Jacobson had contacted Frisch on October 21, 2011 and he stated the meeting may not be until after the first of the year.

Clerk Jacobson did check with the city attorney and he stated that we can at any time make a motion to cancel the existing lodging tax agreement and create a new lodging tax agreement for the City of Osakis.

As far as what the lodging tax money can be spent on, our attorney sent statute 469.190 which states that 95% of the gross proceeds shall be used to fund a local convention or tourism bureau for the purpose of marketing and promoting the city as a tourist center.

So while this money can be spent on ads to promote the area for resorts, it also can be spent on tourism for the city and surrounding area for tourism. It would not be out of line for some money to help fund the Visitor's Center even though LORA does not see it as a benefit to where they are currently spending the lodging tax money.

Project #151: Street Repair & Planning

Kleinschmidt informed the council that he has talked with Hiles and they will have the information for the feasibility study by the January meeting.

Project #191: Skating Rink

Anderson has not received any information.

Project #419: MN Pollution Control

On October 5, 2011, Pederson, Anderson, Clerk Jacobson, and Kleinschmidt had a conference meeting with Steve Nyhus from Flaherty-Hood regarding a lawsuit with the MN Pollution Control Agency.

After much discussion, the city will need to start the process to dispute the lower phosphorus limit that the city has been put on.

Motion by Anderson, seconded by Olson, to approve to go ahead with sending a letter to the MN Pollution Control Agency. All Ayes

Project #429: Election Grant

The city had been notified regarding an election grant available through the Secretary of State. The grant is available for election supplies and improvements to help those with disabilities.

Deadline to apply for the grant is December 12, 2011. The city will be notified in January if the city receives the grant.

A Resolution was presented by Emerson, seconded by Gulbranson, to approve to apply for the election grant for new voting booths for the City of Osakis. When put to a vote, the Resolution passes unanimously.

Project #7: Community Center

The Nutrition Center is requesting approval to order dish soap & garbage bags for the Community Center at a cost to the city of \$220.65.

Motion by Emerson, seconded by Olson, to approve the Nutrition Center to order dish soap and garbage bags for the Community Center for a cost of \$220.65. All Ayes

Homestead Market Value Exclusion

A new law will be in affect on the taxes payable for 2012. The state will no longer pay a share of the tax on homesteads. The removal of the state spending on credits means property taxpayers, as a whole, will pay more if levies remain the same.

Motion by Anderson, seconded by Olson, to adjourn the meeting at 7:45 p.m. All Ayes Absent: Gulbranson