

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
March 28, 2011**

1. CALL TO ORDER

Mayor Al Lindquist called the regular meeting of the Osseo City Council to order at 7:00 p.m. on Monday, March 28, 2011.

2. ROLL CALL

Members present: Council members Allan Hartkopf, Duane Poppe, Mark Schulz, Rick Weber, and Mayor Al Lindquist.

Staff present: City Administrator Jeffrey Dahl, City Attorney Loren Magsam, Fire Chief Mark Lynde, and Police Chief Tom Hartkopf.

Others present: Todd Kintzi, Shane Mikkelson, Dan Spanier, Clair Heilman, Alicia Miller, James Kelly, Tom Carey, Todd Sigfrid, Joy Bandel, Sabrina Ali, Sofia Cervall, Brooke Johnson, Nathan Hutchins, Lionel Kayea, Taylor LaFave, Susan Hanson, LeeAnn Mortenson, Jessica Stewart, Dorothy Clarke, Terry McNeil, and Ron Barger.

3. PLEDGE OF ALLEGIANCE

Lindquist led the Pledge of Allegiance.

4. APPROVAL OF AGENDA [Additions - Deletions]

Lindquist asked for additions or deletions to the Agenda.

Lindquist noted Item 7.A. would be removed from the Agenda.

Weber requested Item 10.C. be moved to Item 7.C.

A motion was made by Weber, seconded by Schulz, to accept the Agenda as amended. The motion carried 5-0.

5. CONSENT AGENDA

- A. Receive EDA Minutes of March 7
- B. Approve City Council Minutes of March 14
- C. Receive February Fire Report
- D. Receive American Legion January Gambling Report
- E. Receive Fire Relief Association January Gambling Report
- F. Receive Lions Club January Gambling Report
- G. Receive Osseo Maple Grove Hockey Association January Gambling Report
- H. Approve Agreement with TimeSavers for Planning Commission Meeting Minutes
- I. Declare Police Department Vehicles as Surplus and Approve Sale
- J. Adopt Resolution No. 2011-18 Correcting and Adjusting Delinquent Garbage Charges against Specified Properties

A motion was made by Schulz, seconded by Weber, to approve the Consent Agenda. The motion carried 5-0.

6. MATTERS FROM THE FLOOR

Joy Bandel, 509 4th Avenue NE, noted she was charged for delinquent garbage fees that should have been charged to her neighbor. She requested that this be corrected. Dahl noted that staff is already working to correct the mistake.

7. SPECIAL BUSINESS

A. SPECIAL PRESENTATION BY MIKE OPAT, HENNEPIN COUNTY COMMISSIONER 1ST DISTRICT

(This item was removed from the agenda.)

B. SAFE AND SOBER AWARD PRESENTATION TO OSSEO POLICE DEPARTMENT

Police Chief Tom Hartkopf introduced Bob O'Brien with the State Office of Traffic Safety to the Council. He explained Officer Shane Mikkelson has been instrumental in the success of the Safe and Sober program in the City of Osseo.

Mr. O'Brien thanked the Council and the Police Department for their efforts and for participating in the Safe and Sober Program. Due to the actions taken by the department, the neighborhoods and residents of the community were safer. He congratulated the City and presented the Police Department with a Safe and Sober Award on behalf of the State.

Lindquist thanked Officer Mikkelson and the entire Police Department on behalf of the community.

C. CONSIDER FIRST READING OF SOCIAL HOST ORDINANCE

Dahl stated the Social Host Ordinance was considered by the Public Safety Advisory Committee (PSAC) last week. The item was originally suggested by the Action for Reaction Group at Osseo Senior High. The PSAC voted unanimously to recommend adoption of the Social Host Ordinance. Staff and Police Chief Hartkopf fully supported the Ordinance. Dahl explained a group of students from Osseo High was present to provide the Council with more information.

Chief Hartkopf indicated the Ordinance would make the City a safer place while being proactive in the area of underage drinking.

Nathan Hutchins, senior at Osseo Senior High, member of Action for Reaction, explained his group met weekly and was working to encourage students to make positive and smart decisions regarding underage drinking.

Taylor LaFave, junior at Osseo Senior High School, reviewed state drinking statistics with the Council with regard to underage drinking. She noted in 2006 there were zero Social Host Ordinances in the State of Minnesota. Currently there were 59 cities that have adopted a Social Host Ordinance. Ms. LaFave reported that the state spent \$1 billion in 2007 in relation to underage drinking. Minnesota was 35th among the 50 states

for the cost spent on youth drinking. She encouraged the Council to assist with changing these statistics.

Brooke Johnson, Osseo Senior High, indicated the misuse of alcohol among teens hurts families, individuals, and businesses daily. She noted that underage drinking is a casual factor in a host of serious problems throughout the community. Ms. Johnson indicated that abuse of alcohol has far reaching effects and can be devastating.

Lionel Kayea, senior at Osseo High School, reviewed information on brain development in adolescents. He stated the human brain is not fully developed until age 25. There are dangers of using drugs and alcohol before the brain is fully developed. The use of chemicals could hinder a person's ability to make good decisions. In addition, permanent lifelong damage could be sustained. He thanked the Council for allowing the students to speak this evening and for supporting Osseo High School by considering the Social Host Ordinance.

Sabrina Ali, Osseo Senior High, said the Social Host Ordinance would be another tool to control underage drinking situations.

Sophia Cervall, foreign exchange student at Osseo Senior High, thanked the Council for listening this evening and for considering the Social Host Ordinance.

Lindquist thanked the students for coming forward this evening and speaking out on this issue.

Weber also thanked the students.

A motion was made by Hartkopf, seconded by Schulz, to approve the First Reading of the Social Host Ordinance. The motion carried 5-0.

8. PUBLIC HEARINGS – None.

9. OLD BUSINESS

A. CONSIDER STEP INCREASE ISSUE

Dahl stated back in February the Council voted to suspend all step increases in order to allow the Human Resources (HR) Committee and staff to review the salary schedule given potential pending budget restraints. Staff has been gathering information and met with the HR Committee on March 22 to review the current budget in terms of salaries, the existing salary schedule, past history/protocols of new hires, and other issues associated with suspending step increases.

Dahl indicated step increases are a part of the City's salary schedule, which was created in 2002 as a result of its compensation study. Having a salary schedule, which consists both of steps and pay grades, allows the City to be consistent and fair with compensation to its employees and comply with pay equity mandates.

Dahl noted the City would save \$2,800 if step increases were frozen for 2011. However, step increases were approved and planned for in the 2011 budget. There was consensus between staff and the HR Committee that the City had already committed to the compensation program for each employee, and there was adequate funding available within the budget to allow for step increases in 2011. In addition, the HR Committee was

interested in reevaluating the compensation plan to consider a more performance based step program. Any recommendations made on the pay schedule could be taken into effect in 2012.

Staff recommended the Council reinstate all step increases, including Public Services Director Randy Korfiatis to the maximum step of Pay Grade 12, effective December 1, 2010, and Public Services Maintenance I Employee Wayne Faue to Step 4, Pay Grade 7.

Lindquist questioned if current employees pay schedules could be revised to a more performance based standard during employment. City Attorney Magsam cautioned the Council from moving in this direction as current employee contracts were under a different system. He stated all criteria must remain fair and equitable.

Schulz reviewed the documentation from the Humphries Institute titled "Navigating the New Normal". He stated this document recommends moving in the direction of performance based pay increases and encouraged the Council to consider this model. The City would need to conduct research on how positive performance evaluations would take place in the future.

Weber explained the City would have to stay in line with state aid losses and would need to find a way to survive in the reduced funding climate.

A motion was made by Schulz, seconded by Poppe, to reinstate all Step Increases for 2011, including Public Services Director Randy Korfiatis to the maximum step of Pay Grade 12, effective December 1, 2010, and Public Services Maintenance I Employee Wayne Faue to Step 4 of Pay Grade 7, and to direct Staff to review the City's Personnel Policy regarding compensation and develop a recommendation to the Council. The motion carried 5-0.

B. APPROVE FINAL PAYMENT TO A&L CONSTRUCTION, INC., AND SEH, INC., FOR FIRE STATION REMODEL

Dahl stated the final pay request from A&L Construction for \$17,529.58 was before the Council this evening. In addition, there was a small invoice from SEH for \$1,290 for architect/project manager services. Hennepin County has requested the Council approve the final payment before the end of March.

Dahl reviewed the numbers for the project, stating the total expenses to date were \$201,777.32, which was slightly over the \$200,000 budget. He noted additional lighting was added to the site which greatly improved the safety and energy efficiency of the building. Dahl recommended the Council approve the final payment and thanked all those involved in the project.

Lindquist expressed appreciation to the City pursuing the grant from Hennepin County to renovate the Fire Department. He noted the community was pleased with the end product.

Fire Chief Mark Lynde explained there were several bumps in the road, but the department was extremely satisfied with the end results. He thanked the firemen for volunteering their time and talents in the renovation, as well. Fire Chief Lynde encouraged all to attend the Fire Department Open House in combination with its annual Easter Egg Hunt on April 16.

Schulz questioned if there were floor issues within the Fire Department and if the cracks would be covered under a performance bond. Dahl stated the floor has cracked and if there was a design flaw, the cracks would need to be corrected. He recommended that this issue be added as a condition for approval to assure that SEH reviews the floor before final payments are made.

A motion was made by Schulz, seconded by Hartkopf, to approve final payment to A&L Construction for the amount of \$17,529.58 subject to the contractor meeting all requirements set forth in the CDBG-ARRA grant program, and subject to resolving the concrete floor issues. The motion carried 5-0.

A motion was made by Schulz, seconded by Hartkopf, to approve final payment to SEH, INC., for the amount of \$1,290, subject to resolving the concrete floor issues. The motion carried 5-0.

C. APPROVE SECOND READING AND ADOPTION OF ORDINANCE
AMENDING CHAPTER 115 OF CITY CODE – PAWNBROKERS AND
SECONDHAND GOODS BUSINESSES

Dahl stated the first reading of the Ordinance amending Chapter 115 of City Code regarding Pawnbrokers and Secondhand Goods Businesses was approved at the Council's March 14 meeting. Staff recommends the Council approve the second reading and adoption of the ordinance amendment. An additional motion would be needed to approve the Ordinance Summary for publication.

A motion was made by Poppe, seconded by Weber, to Approve the Second Reading and Adoption of the Amendments made to Chapter 115 of City Code regarding Pawnbrokers and Secondhand Goods Businesses. The motion carried 5-0.

A motion was made by Poppe, seconded by Schulz, to approve Summary Publication of the Amendments made to Chapter 115 of City Code regarding Pawnbrokers and Secondhand Goods Businesses. The motion carried 5-0.

10. NEW BUSINESS

A. CONSIDER CONDITIONAL USE PERMIT REQUEST TO ALLOW A
PARTS, ACCESSORIES, AND SERVICE BUSINESS FOR RECREATIONAL
VEHICLES AT 124 COUNTY ROAD 81 – TM2 CORPORATION

Dahl stated Todd Sigfrid, on behalf of TM2 Corporation, has submitted an application for a Conditional Use Permit (CUP) to allow for a parts, accessories, and service business for recreational vehicles at 124 County Road 81. The property was surrounded by commercial and single family residential. It is under ownership of City County Federal Credit Union and is zoned C-2, Highway Commercial District, and is guided for "Stacked Residential" in the land use plan.

Dahl indicated the Planning Commission heard this request at its March 21 meeting and reviewed three letters submitted by neighboring properties. Concern was raised regarding the loading and unloading of materials, along with noise issues and outdoor storage. After much discussion, the Planning Commission recommended the Council approve the CUP application with 13 conditions. He recommended the Council state the outdoor storage be screened or fenced.

Lindquist asked those interested in speaking on this issue to come forward at this time.

Dan Spanier, 208 4th Avenue NE, noted he owned the property at 108 2nd Avenue SE and expressed concern with the outdoor loading/unloading and storage. He noted the proposed use would change the orientation of the existing building and would impact the residential area greatly. Mr. Spanier encouraged the Council to keep the business oriented to County Road 81 and not near the residential area. He then reviewed several pictures of Mr. Sigfrid's current recreational vehicle operation indicating that screening would be a must. Mr. Spanier requested the Council deny the conditional use permit request as it did not fit on the proposed corner and should perhaps be proposed for elsewhere in the City.

Terry McNeil, 124 5th Avenue NE, noted the potential test driving along the frontage road did not sit well with him. He stated the proposed mesh fence with plastic lathe would not provide enough screening to the adjacent residential properties. He encouraged the Council to elevate the required fencing to address the needs of the neighboring properties.

City Attorney Magsam noted that the City did have an Ordinance in place to address recreational vehicles on City streets.

Schulz requested the applicant address concerns discussed this evening regarding proper fencing and recreational vehicle test drives. Todd Sigfrid, TM2 Corporation, explained the current building would be remodeled with a face lift. He did not feel the outside storage was a concern as recyclables could be picked up weekly if need be. Mr. Sigfrid reiterated that he was not allowed to test drive vehicles on City streets and would not be doing so on the adjacent residential roadway. He stated ATV's and snowmobiles would need to be trailered to the site, which was a quick unloading process.

Schulz questioned if the applicant would be willing to upgrade the fencing. Mr. Sigfrid stated he would be willing to erect a wooden privacy fence which would benefit the residential area while offering additional security for his business.

Weber asked what deliveries would be made to the site as he did not see how a semi truck would be able to deliver to this location. Mr. Sigfrid explained he received UPS deliveries daily with parts and equipment. He did not anticipate a great deal of semi truck deliveries.

Weber inquired if the business would be selling new ATV's or snowmobiles. Mr. Sigfrid indicated he did not have a dealership license at this point.

Lindquist expressed concern with the outdoor storage at Mr. Sigfrid's other business. He was encouraged by the improvements that would be made to the proposed building. While new business was greatly needed in the community, he felt that another location in the City may be better.

Tom Carey, 633 3rd Avenue NW, stated he was supportive of new businesses in the City of Osseo. He questioned if snowmobiles would be started or tested outside the building. Mr. Sigfrid noted all testing of recreational vehicles would be completed indoors. He indicated that there were greater restrictions on noise emissions and he would be meeting all state requirements through his business operations.

Weber directed staff to gather further information on the parking, loading, and unloading proposed for this property. He asked that the applicant be required to upgrade the fencing on the site. Weber stated additional information should also be gathered on the trees that would need to be excavated and how the power lines would be handled.

Schulz requested the applicant provide a fencing and landscaping diagram for the Council to review in two weeks.

A motion was made by Weber, seconded by Schulz, to postpone action to April 11, 2011, on the Conditional Use Permit application by TM2 Corporation to allow for parts, accessories, and service business for recreational vehicles at 124 County Road 81 until further information was available on how the parking, loading and unloading would be handled on the property.

Mr. Sigfrid explained the bank was hoping to close on this property shortly. He noted a purchase agreement had been signed for the neighboring parcel.

The motion carried 5-0.

B. CONSIDER PUBLIC SAFETY ADVISORY COMMITTEE ACTIONS AND RECOMMENDATIONS

Dahl indicated the Public Safety Advisory Committee (PSAC) met on March 22 and discussed several items of interest. He stated the Social Host Ordinance was presented by Osseo Senior High tonight. The PSAC re-elected Mark Schulz as Chair. In addition, the committee set its meeting schedule for 2011, with dates of March 22, June 21, September 20, and December 20, with all meetings held at 7:15 p.m.

Dahl explained the PSAC approved past meeting minutes and reviewed the 2010 OFD Auto Aid report. This issue was discussed in length but a recommendation was not made. Additional information was requested from Staff. The last item discussed was to consider a fire inspections shared services agreement between the Osseo and the Brooklyn Park Fire Departments.

Fire Chief Lynde reviewed the proposed shared services agreement with the Council, stating shared services would offer a savings opportunity to both Osseo and Brooklyn Park. The proposal includes Osseo receiving its commercial fire inspections from Brooklyn Park in exchange for tank filling services. The savings from the fire inspections far outweigh the additional labor and transportation costs needed for filling the tanks.

Fire Chief Lynde estimated the City would save between \$2,000-4,000 through the shared services. He recommended the Council approve the shared services agreement between Osseo and Brooklyn Park for a six month trial period.

Weber questioned the number of fire stations within the City of Brooklyn Park. Chief Lynde indicated Brooklyn Park had four fire stations. He stated the tanks would be filled at one central location.

Poppe asked if the City was assuming any liability by filling another City's tanks. Fire Chief Lynde indicated Osseo had state of the art equipment and all tanks would be filled to proper specifications.

Schulz indicated the six month trial would allow the City to further evaluate the share services program and the actual cost savings realized by Osseo. Fire Chief Lynde indicated the City of Brooklyn Park would like to see Osseo commit to a year and an evaluation in six months.

Schulz suggested a termination clause be added to the shared services agreement to protect both cities. Fire Chief Lynde agreed with this recommendation.

A motion was made by Schulz, seconded by Weber, to approve the Shared Services Agreement between Osseo Fire Department and Brooklyn Park Fire Department through December of 2013 with six and twelve month evaluation, and that a 30 day termination clause be added to the agreement. The motion carried 5-0.

A motion was made by Poppe, seconded by Weber, to approve the recommendations of the Public Safety Advisory Committee from its March 22 meeting. The motion carried 5-0.

C. CONSIDER FIRST READING OF SOCIAL HOST ORDINANCE

(This item was discussed earlier in meeting under Item 7.C.)

D. APPROVE ACCOUNTS PAYABLE

Dahl reviewed the Accounts Payable with the Council.

A motion was made by Schulz, seconded by Poppe, to approve the Accounts Payable (Listing 032811AP, run 3/29/11 9:16 AM, for \$39,370.14) as presented. The motion carried 5-0.

11. ADMINISTRATOR-CLERK-TREASURER'S REPORT

Dahl announced the Northwest Suburban Remodeling Fair would be held on April 2 at the Crystal Community Center from 9:00 a.m. to 3:00 p.m. All Osseo residents were invited to attend and admission was free.

Dahl indicated the Council and City Staff would be holding a strategic planning session on April 2 at City Hall to establish a road map for 2011 and beyond.

Dahl noted the Labor Negotiations Committee met with police representatives last week and are close to approving a negotiated agreement for 2011-2012. The recommendation was to have this item discussed under a Closed Session at the April 11 City Council meeting.

Dahl thanked the Councilmembers for taking the time in their busy schedules to go to the State Capitol to speak about issues affecting the City of Osseo. He stated this exposure has assisted the City, and he was hopeful Osseo would be receiving additional state funding in the future.

12. COUNCIL AND ATTORNEY REPORTS

Schulz requested the Council review the Community Center usage at a future Council meeting. He wanted to be assured that the Community Center was being used efficiently for the City's residents.

Weber thanked all the students for speaking this evening from the Osseo Senior High School. He also thanked Chief Hartkopf for inviting him to the Police Awards Banquet.

Lindquist noted on March 16 four Council members testified before a Committee at the Capitol. He thanked Poppe for the comments made that evening. In addition, the Council members discussed County Road 30 and Highway 169 interchange. The City was encouraged to share services with neighboring communities to reduce expenses, given the current budget restraints.

Lindquist explained on Palm Sunday, April 17, the Osseo Lions Club would be holding a Pancake Breakfast at the Osseo High School. On May 8, the Lions Club would be hosting a Waffle Breakfast for Mother's Day at the Junior High School. All funds raised for these events would be funneled back into the community.

13. ADJOURNMENT

A motion was made by Schulz, seconded by Poppe, to adjourn the City Council meeting at 9:07 p.m. The motion carried 5-0.

Respectfully submitted,

TimeSaver Off Site Secretarial Service, Inc.