

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
February 27, 2017**

1. CALL TO ORDER

Mayor Duane Poppe called the regular meeting of the Osseo City Council to order at 7:00 p.m. on Monday, February 27, 2017.

2. ROLL CALL

Members present: Councilmembers Harold E. Johnson, Mark Schulz, Larry Stelmach, Anne Zelenak, and Mayor Duane Poppe.

Staff present: City Planner Nancy Abts and City Attorney Mary Tietjen.

Others present: Deb Gatz, Jim Wollschlager, Andy Bright, Deon Richardson, Chad Master, Jonathan Beseman, Greg Revering, Peg Craig, Mike Moroz, Jack Weitzel, Todd Geske, and LeAnn Larson.

3. PLEDGE OF ALLEGIANCE

Poppe led the Pledge of Allegiance.

4. APPROVAL OF AGENDA [Additions - Deletions]

Poppe asked for additions or deletions to the Agenda.

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

5. CONSENT AGENDA

- A. Receive EDA Minutes of February 13
- B. Receive Council Minutes of February 13
- C. Receive January American Legion Club Gambling Report
- D. Receive January Fire Relief Association Gambling Report
- E. Receive January Lions Club Gambling Report
- F. Receive January Osseo Maple Grove Hockey Association Gambling Report
- G. Receive January Fire Report
- H. Receive Parks and Recreation Committee Minutes of February 7
- I. Receive January Northwest Area Jaycees Gambling Report
- J. Approve Osseo Lions Club Application for Free Use of Community Center on April 15

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

6. MATTERS FROM THE FLOOR – None.

7. SPECIAL BUSINESS

A. ACCEPT DONATION TO PEACE OFFICERS MEMORIAL TRIP FUND
(Resolution)

City Planner Nancy Abts indicated the Osseo American Legion, Duffy's Bar & Grill, and the Osseo Lions Club have donated \$3,000, \$500, and \$1,000, respectively to the Peace Officers Memorial Trip. Staff recommends the Council accept the donations.

A motion was made by Stelmach, seconded by Johnson, to adopt Resolution No. 2017-19 accepting donations from the Osseo American Legion, Duffy's Bar & Grill, and the Osseo Lions Club in the amounts of \$3,000, \$500 and \$1,000, respectively. The motion carried 5-0.

B. ACCEPT DONATION TO FLOWERS FUND (Resolution)

Abts indicated Harold E. and Gayle Johnson have donated \$200 to the City in memory of Gerald Getchell and David Sorenson for the Beautification/Flower Fund. Staff recommends the Council accept the donation.

A motion was made by Zelenak, seconded by Schulz, to adopt Resolution No. 2017-20 accepting a donation from Harold E. and Gayle Johnson in the amount of \$200. The motion carried 5-0.

8. PUBLIC HEARINGS – None.

9. OLD BUSINESS

A. CONSIDER FEE SCHEDULE CHANGES (Resolution)

Abts stated the City Council discussed the proposed 2017 Fee Schedule at a Council work session on January 30 and at a Council meeting on February 13. Some items were tabled for more information. Metro West Inspection Services and City staff have worked to address several of the questions relating to building permit fees.

Abts explained Metro West Inspection Services provides plan review for building and many plumbing permits for Osseo. In exchange, Metro West receives 32% of both the permit and plan review fees. The City retains the remainder of the permit and plan review fees (except for the surcharge). City staff receives applications, collects fees, and administers the building permit process. As the City's Building Official, Metro West interprets the State Building Code for the City. Metro West advises City staff and builders regarding the code's requirements. Metro West also recommends changes to the City's building permit fees. These changes are suggested to reflect the cost of the permitting program, set fees in keeping with other metro communities, protect the city's financial stability, and maintain as low a tax rate as possible.

Abts reviewed the three changes for the 2017 Fee Schedule with the Council. The recommendations are based on:

1. The State removal of statute 16B.60 requiring a \$15 minimum fee (the source of the \$15 Permit + \$1 Surcharge Water Heater permit fee).
2. Keeping current with cities in the surrounding area and the cost of administering a permitting program.

Abts explained staff examined other communities' fees through a 2015 fee survey by Metro Cities. A total of 109 communities in the Twin Cities were included in the survey. However, not all cities reported fees for every item on the survey. Of the communities that listed fees for plumbing permits, eleven cities charge less than \$76. Three cities charge \$75/the same as Osseo's proposed fee. The other cities use a valuation-based fee (ten cities), or report fees higher than \$75 (84 cities).

Abts stated for window permits, there are 16 cities that report fees less than \$76. There are seven cities that charge \$76/the same as Osseo's proposed fee. The rest of the cities that charge fees use a valuation-based fee (26 cities), or report fees higher than \$75 (29 cities). Staff reviewed the request in further detail and recommended the Council approve the proposed 2017 Fee Schedule changes.

Schulz thanked staff for providing further clarification to the Council. He stated he spoke with other municipalities regarding their inspection services and he believed Metro West was providing the City with great service. He explained that staff has not provided sound rationale as to why hot water heater fees were raised from \$16 to \$76. For this reason, his preference was to keep the entry door and water heater/softener fees as is.

Stelmach stated he had much of the same concerns.

Schulz commented that it was the City's goal to maintain low taxes. He suggested the Council examine these fees more thoroughly through the budgeting process for 2018.

Todd Geske, Metro West, discussed the 2015 Minnesota State Building Code. He reported the proposed fees were recommendations given the rates charged by surrounding cities.

Stelmach asked if entry door fees were charged in other cities. Mr. Getzke reported entry doors were code related.

Schulz asked that if the proposed Fee Schedule was approved that the door fee be clarified to relate specifically to entry doors and not exterior doors.

Stelmach suggested the Fee Schedule be tabled to allow for language changes to be made given the fact this was not a time sensitive matter.

Schulz stated he supported the Fee Schedule issue moving forward but he wouldn't support the proposed fee increases.

A motion was made by Schulz, seconded by Johnson, to deny the proposed Fee Schedule changes for entry doors, water heaters, and water softeners and continue with 2016 fees for these three items. The motion carried 5-0.

10. NEW BUSINESS

A. CONSIDER SOLID WASTE SERVICE OPTIONS FOR RESIDENTIAL USERS

Abts stated the City Council directed staff to prepare an RFP for residential waste collection services. The RFP document was reviewed and approved by the City Council at the January 9 Council meeting. All proposals were due to the City no later than

February 10. The City received five proposals from the following haulers (in alphabetical order):

- Curbside Waste
- Randy's Environmental Services
- Republic Services
- Walters Recycling & Refuse
- Waste Management

Abts explained each proposal was asked to include all necessary information regarding the collection and removal of residential refuse, recycling, yard waste, and organics waste. Currently, the City of Osseo has an agreement with Randy's Environmental for these services. The current agreement is set to expire on April 30, 2017.

Abts reported each hauler was invited to attend the Council meeting tonight to make any presentation to the Council and/or help answer any specific questions Council or staff may have. Staff has prepared a spreadsheet which outlines the rate information as presented in each of the proposals. The information includes rates for a 30-gallon, 60-gallon, and 90-gallon cart for garbage, recycling, yard waste, and organics recycling for each of the next five years. Staff also included a percentage increase in the rates from year 1 to year 5 to give a snapshot of the anticipated rate increases for each year of the new agreement. In addition, staff included is a look at the rates for the current agreement with Randy's for a 90-gallon cart. The specific information outlined in the compiled rate sheet is still considered private and cannot be included as part of the Council meeting packet. To further outline what data is public and non-public, here is an excerpt from the League of MN Cities (LMC) regarding data practices:

“When competitive bidding is not used, cities will often issue requests for proposals (RFPs). Data submitted by a business to a city in response to an RFP is not public data until the time and date specified in the solicitation that proposals are due. At that time, the name of the responder becomes public. All other data in the response to an RFP is private or nonpublic data until the completion of the evaluation process. ‘Completion of the evaluation process’ means that the city has completed negotiating the contract with the selected vendor. After the city has completed the evaluation process, all remaining data submitted by all responders is public, with the exception of trade secrets.”

Abts stated the Council should review the proposals and ask any pertinent questions of the companies in attendance. A preferred single hauler should be selected by the Council, and direction should be given to staff to prepare a new agreement for City refuse collection services beginning on May 1, 2017, and ending on April 30, 2022. Staff will complete a draft agreement with the preferred hauler and bring that agreement to the Council for final approval at the March 13 Council meeting.

Jonathan Beseman, Waste Management, introduced himself to the Council and reviewed a presentation on the services his company could provide to Osseo residents. He commented on the changes that were being made by Waste Management in order to address safety and truck maintenance. He indicated Waste Management was working to create customized websites for its municipalities along with apps for its users. He explained that for safety purposes all trucks now had DriveCam's and on-board computers. He was proud to report that Waste Management had the largest CNG fleet.

Mike Moroz, Walters Recycling & Refuse, thanked the City for the opportunity to submit a detailed proposal. He stated Walters offers similar services as Waste Management.

Jim Wollschlager, Randy's Environmental Services, stated he has managed the City's contract for the last five years. He discussed how he would like to improve organics collection in Osseo.

Chad Masters, Curbside Waste, introduced himself to the Council and stated his company was located in Brooklyn Park. He thanked the City for taking his proposal into consideration.

Zelenak asked if the proposals were reviewed by the Risk Management Committee. Schulz stated the committee reviewed the proposals and noted the summary sheet was passed along to the City Council.

Zelenak questioned if the committee had a recommendation for the Council. Schulz believed the recommendation would come down to price. He stated it was his personal opinion that the City should not be involved in refuse collection.

Stelmach thanked the garbage vendors for providing the City with detailed proposals. He provided further comment on how the vendors would conduct organics collection. It was his opinion that each vendor could complete the job well.

Johnson thanked the vendors for submitting their proposals, as well. He stated when he was campaigning he heard no negative comments from the residents regarding City sponsored collection. He believed the City was receiving a better price by offering this service to its residents. He appreciated the fact that the City had only one collector driving on its streets and alleyways. He supported the City moving forward with the vendor that provided the City with the lowest rates.

City Attorney Mary Tietjen clarified for the record that the Council did not have to select the lowest qualified vendor for this type of contract.

A motion was made by Stelmach, seconded by Zelenak, accept the bids and direct staff to pursue a solid waste service agreement with Randy's Sanitation. The motion carried 4-1 (Schulz opposed).

B. APPROVE ACCOUNTS PAYABLE

Abts reviewed the Accounts Payable with the Council.

A motion was made by Johnson, seconded by Schulz, to approve the Accounts Payable as presented. The motion carried 5-0.

11. ADMINISTRATOR REPORT – None.

12. COUNCIL AND ATTORNEY REPORTS

Johnson stated he attended the Northwest Hennepin Employment Opportunity Fair at Northwest Hennepin Technical College. He provided further comment on the items covered at the event.

Schulz thanked all of the garbage haulers for attending and for providing the City with detailed proposals. He discussed how valuable it would be to Osseo residents if they had access to the Maple Grove yard waste site.

13. ADJOURNMENT

A motion was made by Schulz, seconded by Johnson, to adjourn the City Council meeting at 7:57 p.m. The motion carried 5-0.

Respectfully submitted,

Heidi Guenther
TimeSaver Off Site Secretarial, Inc.