

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
March 13, 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, March 13, 2017.

2. ROLL CALL

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

Members absent: Councilmember Larry Stelmach.

Staff present: City Administrator Riley Grams, City Planner Nancy Abts, Police Chief Shane Mikkelsen, Public Services Director Rick Hass, and City Attorney Mary Tietjen.

Others present: City Engineer Lee Gustafson, Tom Huston, Peg Craig, and Juliana Hultstrom.

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 Johnson, to accept the Agenda as presented. The motion carried 4-0.

5. CONSENT AGENDA

- A. Approve Council Minutes of February 27
- B. Receive February Building Report
- C. Approve MCMA Conference Expense for City Administrator Riley Grams
- D. Approve Waiver of Fees for Library Use of Community Center for Summer Programming
- E. Approve Waiver of Fees for Library Use of Community Center for Adult Programming
- F. Approve Temporary Closing of Central Avenue on April 8 for Easter Egg Hunt
- G. Accept Resignation of PT Police Officer Curt Roberts
- H. Approve Training for Police Officer Anthony Mortinson

A motion was made by Schulz, seconded by Zelenak, to approve the Consent Agenda. The motion carried 4-0.

6. MATTERS FROM THE FLOOR – None.

7. SPECIAL BUSINESS

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

City Administrator Riley Grams explained the Osseo Fire Department Relief Association and an anonymous donor have donated \$2,000 and \$500, respectively, to the Peace Officers Memorial Trip Fund. Staff recommends the Council accept the donations.

A motion was made by Johnson, seconded by Zelenak, to adopt Resolution No. 2017-21 accepting a donation from the Osseo Fire Department Relief Association and an anonymous donor in the amount of \$2,000 and \$500, respectively. The motion carried 4-0.

B. ACCEPT DONATIONS TO GATEWAY SIGN FUND (Resolution)

Grams reported Becky Meierhofer Insurance Agency, ZMD Engineered Solutions, North Hennepin Area Chamber of Commerce, and LCI-Lawinger Consulting have donated \$100, \$500, \$100, and \$500, respectively, to the Osseo Gateway Sign Fund. Staff recommends the Council accept the donations.

A motion was made by Zelenak, seconded by Schulz, to adopt Resolution No. 2017-22 accepting a donation from Becky Meierhofer Insurance Agency, ZMD Engineered Solutions, North Hennepin Area Chamber of Commerce, and LCI-Lawinger Consulting in the amount of \$100, \$500, \$100 and \$500, respectively. The motion carried 4-0.

C. ACCEPT DONATION TO BEAUTIFICATION FUND (Resolution)

Grams indicated Harold E. and Gayle Johnson have donated \$400 in memory of Rudie Bertling, Luann Billman, Robert Quigley, and Scott Regan to be placed in the Beautification/Flower Fund. Staff recommends the Council accept the donation.

A motion was made by Zelenak, seconded by Johnson, to adopt Resolution No. 2017-23 accepting a donation from the Harold E. and Gayle Johnson in the amount of \$400. The motion carried 4-0.

8. PUBLIC HEARINGS – None.

9. OLD BUSINESS – None.

10. NEW BUSINESS

A. APPROVE EDA ACTIONS OF MARCH 13, 2017

Grams discussed the actions of the EDA. He noted the EDA approved accounts payable, discussed the Met Council SAC deferral program, discussed the property at 600 Central Avenue, and received an update on the Celtic Crossing redevelopment site.

A motion was made by Johnson, seconded by Schulz, to confirm the EDA Actions of March 13, 2017. The motion carried 4-0.

B. RECEIVE BIDS AND ORDER ASSESSMENT HEARING FOR 2017 STREET IMPROVEMENT PROJECT (Resolution)

Lee Gustafson, City Engineer with WSB, reported the 2017 Street Reconstruction Project consists of reconstructing portions of 3rd Street SE, 4th Avenue SE, 5th Avenue SE, and 6th Avenue SE including repairing or minimal reconstruction of the storm and sanitary sewer, and replacement of curb and gutter as needed. The existing roadway width will be maintained to the greatest extent possible, and minimal impacts will be made outside of the curb with the exception for impacts related to utility work, curb replacement, and sidewalk installation.

Mr. Gustafson explained bids were received on March 9 for the 2017 Street Project. Ten bids were received in response to the call for bids. They are summarized as follows:

Bidder Bid Amount	
C. S. McCrossan Construction Inc.	\$731,730.40
GMH Asphalt Corporation	\$734,079.43
North Valley, Inc.	\$746,132.48
Northwest Asphalt, Inc.	\$748,421.88
Valley Paving, Inc.	\$755,460.70
Hardrives, Inc.	\$780,362.34
Asphalt Surface Technologies Corp.	\$781,123.15
Park Construction Company	\$804,150.40
Meyer Contracting, Inc.	\$832,845.40
Omann Brothers Paving, Inc.	\$905,750.00
<i>Engineer's Opinion of Probable Cost</i>	<i>\$737,338.00</i>

Mr. Gustafson stated the apparent low bidder, C. S. McCrossan Construction, Inc., has satisfactorily completed several similar projects in the metro area. The total project cost is estimated at \$983,445.66, and includes all proposed street, utility, sidewalk, and storm sewer improvements as well as all engineering and administrative costs.

Mr. Gustafson explained financing the 2017 Street Reconstruction Project will be based on the City's special assessment policy which calls for 50% of the proposed improvements to be specially assessed including all administrative costs. The remaining 50% and 100% of the storm and utility costs will be financed by the City through street and enterprise funds. No right-of-way acquisition costs are included in this estimate due to the understanding City staff will be acquiring all necessary right-of-way.

Mr. Gustafson reported a final assessment roll will be prepared based on the results of this bid and individual assessment notices will be mailed to each property owner. Based on the above bids, residential assessments are estimated at \$5,830 per unit, and commercial at \$59.00 per lineal foot. Staff reviewed the project timeline and recommended approval of 2017 Street Reconstruction Project.

A motion was made by Johnson, seconded by Zelenak, to adopt Resolution No. 2017-24 declaring the costs to be assessed and ordering preparation of assessments for the 2017 Street Reconstruction Project. The motion carried 4-0.

A motion was made by Johnson, seconded by Zelenak, to adopt Resolution No. 2017-25 scheduling the assessment hearing on April 10, 2017, for the 2017 Street Reconstruction Project. The motion carried 4-0.

C. UPDATE ON 2017 ALLEY IMPROVEMENT PROJECT

Lee Gustafson, WSB, provided the Council with an update on the 2017 Alley Improvement project. He explained he received seven bids for the project, but noted the bids came in higher than expected. For this reason, staff would be analyzing the City's options and would be making a recommendation to the Council on March 27.

Grams reported the City would not be delaying this project by waiting to take action for another two weeks.

D. APPROVE PURCHASE OF USED BUCKET TRUCK FOR PUBLIC WORKS

Public Services Director Rick Hass stated the 2017 Capital Improvement Plan has budgeted \$45,000 for Public Services to upgrade the bucket truck. He has been working with the Owatonna Public Utilities to purchase one of its used trucks and they have given an excellent price of \$32,000, originally asking \$45,000 for the unit. It is a 2009 Ford F-550 with 61,000 miles. Some of the upgrades from the current 1988 Ford F-350 truck is a 40' boom from the current 30' boom. It has side downriggers for rollover safety, and has a boom crane that can be used for installing light poles or pulling lift station pumps, etc. The cost of the truck would be \$32,000 (plus title fees) and would be paid for out of the CIP fund. Staff requested the Council approve the purchase of a bucket truck from the Owatonna Public Utilities in the amount of \$32,000.

Johnson thanked staff for providing the Council with a thorough report with pictures of the bucket truck.

A motion was made by Johnson, seconded by Zelenak, to approve the purchase of a bucket truck from the Owatonna Public Utilities in the amount of \$32,000 plus title and transfer fees. The motion carried 4-0.

E. APPROVE POLICE DEPARTMENT MEMORIAL WALL TRIP TO WASHINGTON DC

Police Chief Shane Mikkelsen stated in the spring of 2016 the Police Department finished its research on the murder of Osseo Village Marshal James L. Gardner. Marshal Gardner was killed in the line of duty on November 1, 1916, while on a domestic assault call. Marshal Gardner was never placed on the National Law Enforcement Memorial Wall as being killed in the line of duty. Osseo petitioned the National Law Enforcement Memorial Wall Committee to have Marshal Gardner placed on that wall. This past December notification came that Marshal Gardner would be placed on the wall on May 13, 2017.

Chief Mikkelsen stated he had been unable to find any living relatives of Marshal Gardner. The full-time police officers and Administrative Assistant Felicia Wallgren would like to attend the presentation in May. They would fly out to Washington, D.C., on Friday, May 12, and return Monday, May 15. During their absence, part-time police officer Mark Bergeron (from the City of Brooklyn Park) will be on call for any issues. If a major event happens in the City, Police Chief Mikkelsen would immediately fly back to Minnesota. Officer Bergeron is currently a Sergeant of the Brooklyn Park Police Department.

Chief Mikkelson stated he has asked for and received \$7,000 in donations to pay for the backfill of shifts, airfare, hotel, and miscellaneous travel expenses. The backfill will include 108 hours with him covering 36 hours of officer time. The total for that coverage including fringe benefits is \$2,770.36. The flight and hotel will be covered by the remainder of the donations. He requested the Council approve the travel to Washington, D.C., for the inscription of Marshal Gardner on the National Law Enforcement Memorial Wall.

A motion was made by Zelenak, seconded by Johnson, to approve the travel to Washington, D.C., for the inscription of Marshal Gardner on the National Law Enforcement Memorial Wall. The motion carried 4-0.

F. APPROVE UPDATED CAPITAL IMPROVEMENT PLAN (CIP)

Grams explained each year the City Council and staff annually update CIP documents, which helps shape long-term planning for the purchase of necessary capital equipment to help run the City efficiently and smoothly. The process includes the City Administrator meeting with the Finance staff and each Department Head to discuss upcoming capital purchases. That information is compiled into various worksheets for each Fund. Those worksheets are then shared with the City Council, typically in a work session format, with comments and direction given to staff to make any necessary adjustments before returning to the Council for approval.

Grams reported the worksheets themselves includes a review of recent purchasing history (going back to 2013), and projections out to 2029. Each worksheet also includes a conservative cost inflation factor (3% annually) to ensure that the rising cost of equipment and upgrades is factored in. Staff recommended the Council approve the updated Capital Improvement Plan documents for 2017.

A motion was made by Johnson, seconded by Schulz, to approve the updated Capital Improvement Plan documents for 2017. The motion carried 4-0.

G. APPROVE EMPLOYEE COMPENSATION STUDY

Grams stated periodically it's a good idea for cities to obtain a compensation study to ensure that City employees are being compensated adequately, not only for the type of position they are in, but also against other similar positions in other peer communities. This study will help attract and retain highly skilled employees in the local government sector and ensure that the City is abiding by all pay equity laws.

Grams explained staff reached out to several well-known consultants who perform this type of work. Two proposals were received: one proposal from Springsted and a second proposal from MRA. Both consultants are well known in the independent public sector as quality advisory firms.

Grams reported the last time the City of Osseo obtained a compensation study was in 2001. Since that time, several positions have been removed, and several new positions have been created. Additionally, as various tasks and work duties come and go, several positions have taken on additional duties and responsibilities, which ultimately has changed the position descriptions (and may alter the necessary compensation levels). To that degree, the City's current Pay Grade/Step Schedule has been continually updated based on year-to-year Council approved budgets, and may not be accurate or reflect current real world compensation. The purpose of this study is to determine the following:

- 1) Develop updated position descriptions and job classifications
- 2) Provide a market study review of similar positions within the local governmental sector
- 3) Develop an updated pay grade/step structure based on the study findings

Grams stated in reviewing both proposals it appears each would meet the City's needs. The Springsted proposal appears to be a more geared towards the public employment sector when compared to the MRA proposal. Additionally, the costs of each proposal are quite different. Staff believes that the Springsted proposal would meet the needs of the City and is most cost effective. Thus, staff recommends the Council approve the proposal with Springsted and the expense be covered by contingency funds.

Schulz asked if the expense could be covered by an enterprise fund. Grams stated an adjustment could be made at the end of the year to cover the expense through an enterprise fund.

Johnson questioned how much staff time would be involved in this study. Grams explained Springsted would need to meet individually with each employee and department head in order to complete the study in order to properly capture the duties of each employee.

Johnson inquired if the City had a detailed job description for each employee. Grams indicated the City tried to keep the job descriptions updated, but noted this would be addressed through the study.

Johnson asked how the City's step and grade pay system worked. Grams discussed the City's step and grade pay system with the Council.

A motion was made by Johnson, seconded by Zelenak, to approve the employee compensation study from Springsted at a cost of \$9,936 plus up to \$400 for out of pocket expenses. The motion carried 4-0.

H. APPROVE ACCOUNTS PAYABLE

Grams 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 4-0.

11. ADMINISTRATOR REPORT

Grams congratulated former Osseo Hockey Alum Trent Flatt for guiding the Grand Rapids Boys High School Hockey team to a State Championship.

12. COUNCIL AND ATTORNEY REPORTS

City Attorney Tietjen noted the state had approved Sunday liquor sales and noted this would go into effect on July 2.

Poppe invited all children under 10 to participate in the Fire Department's Easter Egg Hunt on Saturday, April 8, at 12 noon.

Poppe noted the Lions Club Pancake Breakfast would be held on Sunday, April 9, from 7:00 a.m. to 1:00 p.m. at the Osseo American Legion.

Poppe stated the City cleanup day would be held on Saturday, April 29, from 8 a.m. to 12 noon.

13. ADJOURNMENT

A motion was made by Schulz, seconded by Zelenak, to adjourn the City Council meeting at 7:42 p.m. The motion carried 4-0.

Respectfully submitted,

Heidi Guenther
TimeSaver Off Site Secretarial, Inc.