

**OSSEO CITY COUNCIL  
REGULAR MEETING MINUTES  
April 9, 2018**

1. CALL TO ORDER

Mayor Duane Poppe called the regular meeting of the Osseo City Council to order at 7:02 p.m. on Monday, April 9, 2018.

2. ROLL CALL

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

Staff present: City Administrator Riley Grams, City Planner Nancy Abts, City Accountant Teri Portinen, Police Chief Shane Mikkelson, and City Attorney Mary Tietjen.

Others present: Lee Gustafson and Emily Lueth, Gary Groen, Rebecca Kurtz, Ray Boeser, Paul Humiston, Kathy Goetsch, Joe Suchanek, Tonya Simpson, Chris Huntley, Juliana Hultstrom, Matthew Mock, Trevor Gruys, Howard Hornibrook, and Travis Quin.

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 March 12
- B. Approve City Council Minutes of March 12
- C. Receive Planning Commission Minutes of March 19
- D. Receive March Building Report
- E. Receive February Fire Report
- F. Receive February American Legion Gambling Report
- G. Receive February Northwest Area Jaycees Gambling Report
- H. Receive February Osseo Maple Grove Hockey Association Gambling Report
- I. Receive Heritage Preservation Commission Update
- J. Receive Written Municipal Advisor Client Disclosure for General Obligation Bonds, Series 2018A
- K. Accept Resignation of Part-Time Police Officer Dennis Hemminger
- L. Approve Training for Administrative Assistant Karen Broden
- M. Approve Community Center Fee Waiver for Osseo Lions in May
- N. Receive Parks and Recreation Committee Minutes of April 2
- O. Approve Special City Council Minutes of April 3

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

6. MATTERS FROM THE FLOOR – None.

7. SPECIAL BUSINESS

A. PRESENTATION ON S&P BOND RATING UPGRADE – Rebecca Kurtz, Ehlers & Associates

Rebecca Kurtz, Ehlers & Associates, reported in February staff participated in a call with Standard & Poor’s to review the ratings on both the City’s general obligation debt and the EDA’s debt. As a result of those discussions, the City’s long-term rating on its existing general obligation debt was upgraded from a “AA-” to a “AA,” and the EDA’s long-term rating on the lease revenue bonds was upgraded from a “A+” to a “AA-.”

Ms. Kurtz explained the rating is a credit score that describes the general creditworthiness of a bond issue. Generally speaking, a higher bond rating is an indication of a more secure investment and likely results in a lower interest rate for the City. In addition, it is likely that it will attract more bidders on the day of the bond sale creating more competition for the bonds. While this upgrade has minimal effect on the City’s existing debt, it positions the City for lower interest rates on future debt. Under current market conditions, the up-grade reduces the true interest rate of a 15-year issue from 3.21% to 3.13% and reduces the interest cost over the term of the bonds approximately \$7,100. She presented the City with a plaque from Standard & Poor’s and congratulated the City on its responsible fiscal policies and strong financial management. A round of applause was offered by all in attendance.

B. ACCEPT DONATIONS (Resolution)

Grams stated the City has received the following donations:

<u>Donor</u>	<u>Amount/Item</u>	<u>Designated Fund</u>
Tokle Inspections Inc.	\$ 25	Beautification/Flower Fund
Metro West Inspection Service	\$ 200	Beautification/Flower Fund
Kennedy & Graven Chartered	\$ 250	Beautification/Flower Fund
Paul Baertschi, P.A., Attorney	\$ 50	Beautification/Flower Fund
Prime Advertising & Design	\$ 100	Beautification/Flower Fund
WSB & Associates Inc.	\$ 350	Beautification/Flower Fund
Harold E. & Gayle Johnson	\$ 500	Beautification/Flower Fund

*(in memory of Bob Ackerman, Roger Dissmeyer, Kathleen Jones, Jeraldine Miller, & Loretta Munn)*

Staff recommended the Council accept the donations.

**A motion was made by Stelmach, seconded by Schulz, to adopt Resolution No. 2018-21 accepting donations from Tokle Inspections Inc., Metro West Inspection Service, Kennedy & Graven Chartered, Paul Baertschi, Prime Advertising & Design, WSB & Associates, and Harold E. & Gayle Johnson. The motion carried 5-0.**

8. PUBLIC HEARINGS

A. STREET PROJECT ASSESSMENT HEARING (Resolution)

Lee Gustafson, City Engineer with WSB & Associates, stated the 2018 street reconstruction project consists of reconstructing portions of 4th Avenue NE, 4th Street NE, and 6<sup>th</sup> Avenue NE including repairing or minimal reconstruction of the storm and sanitary sewer, replacement of curb and gutter as needed, and repair and installation of new sidewalk. 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 repair and installation.

Mr. Gustafson reported the total project cost is estimated at \$629,824.80, and includes all proposed street, utility, sidewalk, and storm sewer improvements as well as all engineering and administrative costs. Financing the 2018 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.

Mr. Gustafson explained a final assessment roll was prepared based on the lowest bid and individual assessment notices were mailed to each property owner. The residential assessments are determined to be \$5,712.26 per unit, and commercial determined to be \$67.16 per lineal foot. Staff provided further comment on the 2018 street project and recommended approval of the proposed assessment roll.

Johnson asked what the date would be when the resolution was approved. Mr. Gustafson reported the date would be April 9 and noted residents would have 30 days from April 9 to pay their assessment in full in order to avoid interest charges. He explained residents received a notice with this information.

**A motion was made by Schulz, seconded by Stelmach, to open the Assessment Hearing at 7:17 p.m. The motion carried 5-0.**

No public input was offered.

**A motion was made by Stelmach, seconded by Johnson, to close the Assessment Hearing at 7:18 p.m. The motion carried 5-0.**

Schulz stated he was pleased to see staff had addressed many of the resident's questions and concerns prior to this meeting. He recommended staff continue to send out informational flyers prior to assessment hearings. Schulz pointed out the assessment amounts came in lower than estimated and thanked staff for their hard work on this project.

**A motion was made by Stelmach, seconded by Zelenak, to adopt Resolution No. 2018-22 approving the proposed assessment roll for the 2018 Street Reconstruction Project. The motion carried 5-0.**

**B. ALLEY #1 PROJECT ASSESSMENT HEARING (Resolution)**

Lee Gustafson, WSB, stated the 2018 alley project consists of reconstructing two alleys. Alley #1 is between 5th and 6th Avenues NE from 4<sup>th</sup> Street NE to 93rd Avenue North. Alley #2 is between 2nd and 3rd Avenues NE from 4th Street NE to 93rd Avenue North. Both alley projects include repairing or minimal reconstruction of the storm sewer. It is proposed to maintain the existing alley widths and that all work will be within the

existing alley right of way. A new 12-foot wide, 6-inch thick concrete pavement will replace the old bituminous pavement on both alleys.

Mr. Gustafson explained the total project cost for Alley #1 is estimated at \$198,064.63 and includes all proposed alley paving components and storm sewer improvements as well as all engineering and administrative costs. Financing the 2018 Alley Reconstruction Projects will be based on the City's special assessment policy which calls for 80% of the proposed improvements to be specially assessed. The remaining 20% and 100% of the storm sewer costs will be financed by the City.

Mr. Gustafson commented a final assessment roll was prepared based on the lowest bid and individual assessment notices were mailed to each property owner. The residential assessments are determined to be \$4,233.31 per unit. Staff recommended the Council approve the assessment roll for Alley #1.

Johnson encouraged residents that live on these alleys to complete any driveway work they were planning after the alleyways were complete.

**A motion was made by Schulz, seconded by Stelmach, to open the Assessment Hearing at 7:25 p.m. The motion carried 5-0.**

No public input was offered.

**A motion was made by Stelmach, seconded by Schulz, to close the Assessment Hearing at 7:25 p.m. The motion carried 5-0.**

**A motion was made by Johnson, seconded by Zelenak to adopt Resolution No. 2018-23 approving the proposed assessments for the 2018 Alley #1 Reconstruction Project. The motion carried 5-0.**

C. ALLEY #2 PROJECT ASSESSMENT HEARING (Resolution)

Lee Gustafson, WSB, stated the 2018 alley project consists of reconstructing two alleys. Alley #1 is between 5th and 6th Avenues NE from 4<sup>th</sup> Street NE to 93rd Avenue North. Alley #2 is between 2nd and 3rd Avenues NE from 4th Street NE to 93rd Avenue North. Both alley projects include repairing or minimal reconstruction of the storm sewer. It is proposed to maintain the existing alley widths and that all work will be within the existing alley right of way. A new 12-foot wide, 6-inch thick concrete pavement will replace the old bituminous pavement on both alleys.

Mr. Gustafson explained the total cost for Alley #2 is estimated at \$128,540.23, and includes all proposed alley paving components and storm sewer improvements as well as all engineering and administrative costs. Financing the 2018 Alley Reconstruction Projects will be based on the City's special assessment policy which calls for 80% of the proposed improvements to be specially assessed. The remaining 20% and 100% of the storm sewer costs will be financed by the City.

Mr. Gustafson commented a final assessment roll was prepared based on the lowest bid and individual assessment notices were mailed to each property owner. The residential assessments are determined to be \$3,521.43 per unit.

**A motion was made by Stelmach, seconded by Schulz, to open the Assessment Hearing at 7:26 p.m. The motion carried 5-0.**

No public input was offered.

**A motion was made by Johnson, seconded by Schulz, to close the Assessment Hearing at 7:27 p.m. The motion carried 5-0.**

**A motion was made by Schulz, seconded by Zelenak, to adopt Resolution No. 2018-24 approving the proposed assessments for the 2018 Alley #2 Reconstruction Project. The motion carried 5-0.**

9. OLD BUSINESS

A. APPROVE GATEWAY SIGN POLICY CHANGES

City Planner Nancy Abts stated since the gateway sign has been in operation, staff has received a few requests from local groups to waive fees associated with the placing ads on the sign. Currently, the gateway sign policy makes no mention of approving requests to waive fees. Other policies, however, do explain how groups can submit a request to waive fees—for use of the Community Center, for example. Those requests are put onto the next available City Council agenda for consideration.

Abts commented the proposed policy changes remove the charge for administrative appeals for applicants who disagree with a decision by city staff about whether a message meets the criteria to be posted on the sign. They also explain the procedures for requesting a fee waiver. Following discussion at the March 12 meeting, the proposed changes also include language allowing messages from government agencies or elected or appointed officials serving Osseo.

Johnson asked if City Council, EDA, and Planning Commission meetings could be posted on the gateway sign. Abts reported City messages are allowed within the policy.

Johnson suggested the League of Women Voters events and Night to Unite be posted on the gateway sign. Abts commented all City sponsored events could be posted on the gateway sign.

Zelenak commented on the elected official language within the policy and requested several typographical changes for consistency purposes. City Attorney Tietjen supported the proposed changes.

**A motion was made by Zelenak, seconded by Stelmach, to approve the Gateway Sign Policy Changes as amended. The motion carried 5-0.**

B. APPROVE GATEWAY SIGN SURVEY AND INCENTIVE

Abts stated the Hennepin County Business District Initiative grant that helped fund the gateway sign construction also requires an evaluation survey. Staff has worked with program administrators to create a survey. As an incentive for completing the survey, an offer for a single future \$25 discount on a future gateway sign posting is recommended. The incentive will be available for the rest of the calendar year (until December 31, 2018).

Abts reported the survey will be available through the city's website at [www.discoverosseo.com/survey](http://www.discoverosseo.com/survey). Information will be distributed to past users of the gateway sign, the local Chamber of Commerce, and the Explore Osseo group, and through the City's social media accounts. It will also be promoted on the gateway sign itself. If approved, the survey will be open for two weeks, from April 10 to April 24.

Stelmach asked if this was a one-time incentive for businesses. Abts reported this was the case.

Johnson questioned how many different users the City had advertising on the gateway sign in 2017. Abts explained the City had 11 different users last year.

Schulz stated he was excited to see how the gateway sign would be utilized by local businesses in 2018.

**A motion was made by Stelmach, seconded by Schulz, to approve the gateway sign survey and incentive. The motion carried 5-0.**

10. NEW BUSINESS

A. CONFIRM EDA ACTIONS OF APRIL 9, 2018

Grams discussed the actions of the EDA. He noted the EDA approved accounts payable, received an update on a potential redevelopment opportunity, received an update on the City's TIF districts, and received an update on the 5 Central property tax value appeal process.

**A motion was made by Schulz, seconded by Johnson, to confirm the EDA actions of April 9, 2018. The motion carried 5-0.**

B. CALL FOR SALE OF \$1,015,000 GENERAL OBLIGATION BONDS, SERIES 2018A – Rebecca Kurtz, Ehlers & Associates

Rebecca Kurtz, Ehlers & Associates, requested the Council call for the sale of \$1,015,000 in General Obligation Bonds, Series 2018A. She reported these bonds would be used for the 2018 street improvement projects. She explained the bonds would be issued for a 15-year term starting in 2020 and running through 2034. She recommended the water project have a term of 11 years and the storm project have a term of 10 years. She noted this would save the City \$28,000 in interest. It was noted at this time the City had no bond refunding opportunities. She stated this bond obligation would be issued under the City's new bond rating. She recommended the Council call for the sale of the bonds as directed by staff and noted the bonds would be available to the City on June 7.

Johnson questioned why the City was bonding for the water expenses versus paying this small amount out of the Water Fund. Grams reported this was discussed by staff and staff was recommending the amount be bonded. He stated he was hesitant to use cash for these expenses because he was uncertain what an appropriate fund balance should be. He indicated the City would have a fund balance policy in place after the Utility Rate study was complete.

Johnson stated he did not know what was proper either, but he recommended the Council address this issue at this time.

Schulz questioned what the penalty was if the City were to prepay on the bonds issued for the water expenses. Ms. Kurtz explained the bonds could be called and prepayments could be made. She noted the interest rate on the bonds may be impacted and, for this reason, the City may benefit by waiting.

Gram commented the Council could move forward with the bonds without the water expenses included. He noted a cash payment could be made for these expenses.

Johnson asked if the bonding amount could be adjusted if the City were to receive cash payments from residents for their assessments. Ms. Kurtz indicated the City could make adjustments to the bonding amount prior to the sale date based on the amount of payments that were made by residents.

Johnson inquired if the Council could make a motion to pay the water expenses out of cash in order to reduce the bonds. Ms. Kurtz stated the Council could take this action and noted she could update the numbers and would forward this information to staff.

Grams questioned if it would look bad to potential buyers if the City were to reduce the size of the bond request. Ms. Kurtz explained this would not be an issue because the reduction was quite small.

**A motion was made by Johnson, seconded by Stelmach, to adopt Resolution No. 2018-25 providing for the sale of \$965,000 General Obligation Bonds, Series 2018A, using \$50,000 in the Water Fund to pay for the water expenses.**

Schulz commented he was struggling with this and noted he was anxious about making a last-minute decision. However, because Ms. Kurtz was certain the marketability of the bond sale would not be harmed by reducing the overall amount, he stated he could offer his support. He stated in the future he would like the Council to discuss these types of matters at a Council worksession. Schulz asked what the current balance of the Water Fund was. Grams stated the balance of the Water Fund was currently \$685,000.

**The motion carried 5-0.**

- C. APPROVE PROPOSAL FOR UTILITY RATE STUDY - Rebecca Kurtz, Ehlers & Associates

Grams stated staff completed a proposal for a Utility Rate Study (URS). He noted there are several reasons why cities choose to complete a utility rate analysis:

- **Review and establish utility rates.** Appropriately established rates position the City to efficiently and effectively deliver water, sanitary sewer, and storm water services. A URS will establish an equity between user classes and an explanation as to why rates may differ between users. With utility expenses being largely fixed, a URS also assists with developing a response to address the declining revenues as consumption declines.
- **Maintain an appropriate level of positive cash balances in the utility funds.** Utility revenues can be volatile depending on the weather, and adequate cash balances are needed to provide funding through the unexpected. A URS assists with determining the appropriate level of cash balance and establishes a strategy for maintaining that level.

- **Develop a plan for funding future capital improvements.** Through its Capital Improvement and Street Reconstruction Plans the City has identified the street and utility projects to be completed and the timeline. A URS will ensure the utility revenues are sufficient to pay for their portion of the utility projects in full and relieve the pressure on the potential need to levy for any shortfalls.
- **Implement customized water conservation rates.** While conservation pricing incents conservation and the protection of natural resources, it can also produce revenue volatility. A URS will develop a plan to maintain the revenues and ensure the reserves are adequate during times of volatility.

Rebecca Kurtz explained Ehlers was willing to perform the Water, Sewer, and Storm Water Rate Study for the following cost:

Water Rate Study	\$ 8,500
Sewer Rate Study	\$ 7,000
Storm Water Study	<u>\$ 4,000</u>
Total	\$19,500

Ms. Kurtz explained that upon completion, the City will have:

- Rate recommendations for all three funds for the next ten years;
- The Utility Rate Study in either an Executive Summary or Power Point format;
- Financial projections in Excel format that the City can update in the future;
- Established priorities developed with staff and Council for utility capital spending;
- A framework for the timing and amount of future debt issues; and
- A transparent decision-making process.

**A motion was made by Zelenak, seconded by Schulz, to direct staff to proceed with the Utility Rate Study. The motion carried 5-0.**

**D. APPROVE POLICE PART-TIME TRAFFIC ENFORCEMENT POSITION**

Police Chief Shane Mikkelson stated “traffic complaints” is one of the highest complained about items in Osseo. The residents complain about speed in residential areas, stop sign violations, and all around traffic problems. He reported the department was running one officer on a shift and trying to assign that one officer to a detail for any length of time was becoming very difficult with the increased call load and investigative duties of officers. He explained he has found a way to increase traffic enforcement, problem solve traffic type crimes, and assist our residents with their complaints by adding a part-time traffic car. This car will have a traffic-only focus, with the ability to problem solve the issues as they arise. He noted he had funds available within his part-time budget to cover this expense and anticipated he could fill this position from within.

Stelmach asked if TZD funding could be used for this. Chief Mikkelson stated the City would have to receive a grant in order to utilize TZD funds.

Schulz thanked Chief Mikkelson for bringing this item before the Council. He agreed traffic complaints were a concern in Osseo and he liked the idea of this officer having a flexible schedule. He stated he wanted to be sure the department was completing statistical analysis on their calls and stops. He indicated he liked that this position would

improve the visibility of the Police Department. He was of the opinion this part-time officer would improve safety in the community.

Johnson requested the department address crosswalk violations.

Grams thanked Chief Mikkelson for bringing this item to the City. He noted the Chief was filling some of the regular shifts and thanked him for his dedicated service to the community.

**A motion was made by Schulz, seconded by Stelmach, to approve the part-time traffic enforcement officer. The motion carried 5-0.**

E. APPROVE POLICE USING NARCAN

Police Chief Mikkelson stated the opioid crisis is in full effect in this community. The Police Department has come into contact with persons that are experiencing an opioid overdose. One way to save lives during an event of this nature is for the Police Department to carry Narcan in its squad cars. This drug will reverse the effects of an opioid overdose for enough time to get the person to a hospital. He reported a policy could be drafted for the Osseo Police Department.

Stelmach thanked Chief Mikkelson for bringing this item forward. He stated he believed this was a great opportunity for the community and noted he would support this request.

Schulz commented he appreciated the Chief's recommendation and requested good statistics be kept on the Narcan program.

**A motion was made by Johnson, seconded by Stelmach, to approve the Osseo Police Department to carry Narcan. The motion carried 5-0.**

F. APPROVE VARIANCE AND SITE-BUILDING PLAN FOR 617 NORTH OAKS DRIVE (Resolution)

Abts reported the new owner of 617 North Oaks Drive seeks a variance and site plan approval to construct a 12-foot tall, 980-square-foot freestanding accessory structure to use as an office building and workout space for the adjacent apartment complex. She reviewed the standards for granting a variance along with the analysis for the site plan approval. She explained the Planning Commission held a public hearing on the application at its March 19 meeting. Following the hearing, the Commission voted unanimously to recommend approval of the application.

Johnson requested further information regarding the variance standards. Abts discussed the variances standards in further detail with the Council.

Poppe asked if there were any comments from the public.

Raymond Boeser, 616 6<sup>th</sup> Avenue NE, stated he has been a resident of Osseo for the past ten years. He commented on February 28 he received a notice that his lease would not be renewed and that he had 30 days to vacate the premises. He reported on March 23 QT Property Management sent him a letter stating he received mis-information and that he now had 30 days to vacate the premises or could reapply for an apartment. He indicated he was fortunate enough to find new housing, but noted it would now cost him an additional \$180 a month and he would have to move out of the Osseo area. He expressed

frustration with QT Property Management for being so inconsiderate and for not properly maintaining their buildings. He stated he understood the apartment management intended to not renew leases back in September 2017, but did not notify residents until February 2018. He encouraged the City to more closely monitor its rental properties and not support the proposed requests.

Tonya Simpson, 616 6<sup>th</sup> Avenue NE, reported she spoke to the Planning Commission and noted she sent in additional documentation to the Council. She discussed how people's lives were being impacted by the changes at her apartment complex. She encouraged the City to better research the companies that were coming into the community. She explained that she moved into Osseo six years ago from California with her son and reported she was being forced out. She indicated she had a child with special needs and noted this has been very hard on him. She stated she doesn't know if she would be able to come back to her current unit after the renovations were completed or what the rental rate would be.

Schulz asked how the new building would be used by the apartment complex. Matthew Mock, general manager of the apartment complex, explained the building would be used as an office and workout space.

Schulz questioned if the apartment complex would have onsite management once the building was complete. Mr. Mock reported this would be the case.

Schulz commented he has been getting emails and calls from residents. He stated he sympathized with the tenants of this apartment complex and hoped that the property manager (QT Property Management) would be making great strides to improve communication. He explained he was happy improvements would be made to these properties and thanked the property manager for putting a priority on the applications from existing tenants. He stated he was saddened by the fact some tenants would not be able to remain in Osseo. He commented the struggle to make Osseo financially self-sufficient was to embrace the change while not losing who we are. It was his hope the positive momentum from this project would move forward.

Mr. Mock thanked the Council for his comments. He explained as a rental company he was bound as a landlord by the lease. He understood that the changes he was proposing would impact lives. He stated he was proposing to improve a property that has not been maintained for quite some time. In order to bring this property up to code, he felt it was best to do the work without the tenants in the building. He reported he has worked through this process as graciously as possible, noting all of his actions were legal within the terms of the lease. He apologized for impacting the tenants and stated he appreciated the support of the Council.

Johnson commented on a letter he received from the property owner after the Planning Commission meeting and expressed frustration with the inaccuracies in the letter. He believed the City needed better representation from the owners of this property than what the City has received up to this point. He stated he wanted to see the Council take a long hard look at the City's rental property regulations to ensure this type of situation did not occur again.

Stelmach indicated he attended the Planning Commission meeting. He stated after hearing both sides, he understood the business perspective along with the stress that was caused to the tenants. He reported tonight the Council was being asked to approve a variance and site-plan.

Zelenak thanked the residents that came forward and expressed their concerns.

**A motion was made by Schulz, seconded by Stelmach, to adopt Resolution No. 2018-26 approving a variance for an accessory building with a height of 12 feet and an area of approximately 980 square feet at 617 North Oaks Drive.**

Johnson stated he would not be supporting the variance to prove the point he believes the residents at this property were treated unfairly.

**The motion carried 4-1 (Johnson opposed).**

**A motion was made by Schulz, seconded by Stelmach, to approve the site-building plan, subject to the following conditions:**

1. The improvements shall match the site plan submitted for approval by the City Council;
2. If not included in the City Council approval, an updated lighting plan shall be submitted and approved by staff prior to issuance of any building or grading permits;
3. If not included in the City Council approval, an updated landscaping plan shall be submitted and approved by staff and may include two deciduous trees in lieu of the infiltration basin;
4. Any necessary payment for SAC charges must be made prior to issuance of any building permits;
5. The applicant shall obtain all necessary building and sign permits and pay all fees related to the proposed improvements;
6. Weeds and other vegetation shall be maintained at all times in accordance with Chapter 93.38 of the City Code;
7. All trash shall be stored within a properly-screened enclosure.

**The motion carried 4-1 (Johnson opposed).**

Poppe stated he hoped both the City and the property manager could use this as a learning experience and move forward in a positive manner for the future.

#### G. APPROVE SITE-BUILDING PLAN FOR 340 CENTRAL AVENUE

Abts stated the new owners of 340 Central Avenue seek a site plan approval for proposed renovations to their building. The property is in the Central Business District (CBD), just south of Boerboom Park. Jesse Dickinson and Jordan Dickinson are owners of the property. They intend to move their custom coachbuilding business, Union Speed and Style, to 340 Central Avenue once renovations are complete. Staff reviewed the analysis for Site Plan approval and noted the Planning Commission held a public hearing on the application at its March 19 meeting. Following the hearing, the Commission voted unanimously to recommend approval of the application.

Schulz asked if the Council was considering future plans for the 332 Central Avenue property. Abts stated the request before the Council was only for 340 Central Avenue. She reported staff was recommending these two lots be combined for utility purposes and noted a lot combination request would have to come before the Planning Commission and Council in order for this to occur.

Poppe questioned why the City was proposing to combine utilities when this would be a multi-tenant space.

Schulz agreed and recommended the two properties not be combined. Grams commented the Finance Department recommended the two parcels be combined in order to save on storm utility fees. He indicated this lot combination would be up to the property owners and was not required by the City.

Schulz stated he was looking forward to the property owners moving forward with the proposed improvements. He asked if any of the proposed building materials would negatively impact the building and its ability to be restored to its former glory. Abts reported there were no building materials that would adversely impact the building.

Schulz encouraged the property owners to participate in the Vintage Foreign Car Show that would be held in May.

Zelenak asked if the property owners would be completing any exterior improvements to the 332 Central Avenue property in conjunction with the proposed improvements to 340 Central Avenue. Mr. Quin reported the façade would be sand blasted and painted.

Stelmach stated he was happy to have this business moving into Osseo.

**A motion was made by Schulz, seconded by Stelmach, to approve the site-building plan, subject to the listed conditions of approval:**

1. The improvements shall match the site plan submitted for approval by the City Council;
2. Any necessary payment for SAC charges must be made prior to issuance of any building permits;
3. The applicant shall obtain all necessary building and sign permits and pay all fees related to the proposed improvements;
4. Weeds and other vegetation shall be maintained at all times in accordance with Chapter 93.38 of the City Code;
5. All trash shall be stored within a properly-screened enclosure.
6. The site plan will be valid for one year following the date of approval, unless work begins toward completion within one year or the approval is renewed for a period of one year by the City Council.

**The motion carried 5-0.**

**H. APPROVE LANDSCAPE PLAN MODIFICATIONS FOR 108 BROADWAY STREET WEST**

Abts stated the property owner of 108 Broadway Street West has requested the landscape bond collected in 2009 be returned. The landscape plan approved in 2009 has not been satisfactorily completed. Instead, the property owner requests approval of a new, modified landscape plan.

Abts commented the landscape plan submitted with the 2009 application indicated a total of 30 trees on the property: 3 Basswood, 22 Boxelder, 4 Juneberry, and 1 Elm. Landscaping requirements for the Manufacturing District include one tree for every 1,000 square feet of building. The 2009 project required 20 trees, and the plan at that time gave credit for several of the large Boxelders in meeting that requirement. However,

Boxelders are among a handful of species that the City Code indicates cannot be used to meet landscaping requirements. In this updated plan, the City may consider whether to include or exclude Boxelders in the final tree calculations.

Abts explained the revised landscaping plan shows a total of 11 added trees: 6 Blue Spruce, 1 Armstrong Maple, 2 Red Maple, 1 Cherry, and 1 Crabapple. With the exception of the Red Maple, the indicated diameters for the Armstrong Maple, Cherry, and Crabapple are smaller than the 2 ½ inches in diameter required by Code. Some of the blue spruce indicated on the updated plan are located in a drainage easement along the northwest side of the driveway. Moving trees out of the easement was discussed during the 2009 approval. Public Works Director Rick Hass suggests that the trees be allowed to remain in the easement if the property owner signs an acknowledgement agreeing to be fully responsible for replacing them if work must be done in the easement area in the future.

Abts reported some areas previously identified on the landscape plan as being covered in sod have been replaced with gravel beds. The applicant has also provided numerous ornamental shrubs. Staff recommended approval of the request with conditions.

Johnson asked if this property was located on a private drive. Grams stated this was the case.

Johnson questioned why a curb was noted installed on this private drive. Howard Hornibrook, in Plymouth, reported the curb that was installed was per City approved plans. He noted the rock that was installed to keep the curb from eroding.

**A motion was made by Schulz, seconded by Stelmach, to approve the Landscape Plan Modifications subject to the conditions of approval:**

1. The property owner shall agree to be fully responsible for replacing items located in the easement along the west side of the driveway, if those items are affected by future utility work in the easement.
2. Weeds and other vegetation shall be maintained at all times in accordance with Chapter 93.38 of the City Code.
3. If further modifications to the site plan result in significant alterations, the applicant shall apply for an amended site plan, including a public hearing.

**The motion carried 5-0.**

**I. APPROVE 2<sup>ND</sup> READING AND ADOPTION OF ORDINANCE  
AMENDMENT FOR SPECIAL EVENTS**

Abts stated the proposed ordinance is a comprehensive document. It reflects many of the discussion items covered at past meetings. She noted a few changes have been made since the first reading.

Definition of “special event”

The definition of a special event has been clarified following discussion during the first reading of the ordinance.

The following words, terms, and phrases, when used in this Chapter, will have the following meanings:

***SPECIAL EVENT.*** Any [event] held in whole or in part upon publicly owned property or public right-of-way, or any event, if held either in wholly or in partly upon private property, if such event will require the use of Special Services.

***SPECIAL SERVICES.*** The exclusive allocation of city resources, including, but not limited to, city personnel, equipment, rights-of-way, property, or facilities ... Special Services shall include, but not be limited to, any of the following: street closures; requiring police officers to stop or reroute traffic; special police protection; stationing emergency vehicles at or in the immediate vicinity of the event; exclusive use of city streets or property as a staging area or for event parking; additional street cleaning and garbage removal services; special signage, such as temporary no parking signs; the use of any city building, equipment, or other property for any purpose other than the normal operations of the facilities; or the city otherwise providing exclusive services.

Abts reviewed the proposed changes in further detail with the Council and recommended adoption of the Ordinance. Grams commented on the process that would be followed if a group or individual wanted to apply for a fee waiver.

Johnson asked if residents applying for a Night to Unite road closure would have to pay the permit fee. Grams reported at this time the residents would be charged a permit fee. He explained the Council would have the right to waive these fees. Abts stated Officer Tony Mortinson could fill out the special event permit for all Night to Unite events and have this reviewed by the Council. Grams supported this recommendation.

**A motion was made by Zelenak, seconded by Schulz, to approve the 2<sup>nd</sup> Reading and Adoption of Ordinance No. 2018-1 Amendment Title XI, Business Regulations, by Adding a New Chapter 118 to the Code of Ordinances relating to Special Events and Repealing Sections 114.01 and 114.02 relating to Licensing of Public Dances and Entertainments, Shows, Carnivals and the like. The motion carried 5-0.**

J. APPROVE SPECIAL EVENTS PERMIT APPLICATION

Grams stated with the change to the City's ordinance creating the Special Events Permit process, the Council should consider approving the actual application itself. The permit will be used anytime a special event will take place here in Osseo. The permit will be required if one or more of the following apply to the event:

1. 200 or more individuals will be in attendance;
2. A temporary alcohol license is required for the event (for sale of liquor);
3. Admission or fees will be charged to attendees, or donations requested while using City property;
4. Special services will be required (such as closed streets, traffic control, additional security, or use of City property).

Grams explained the applicant should complete the application and submit it to City staff. The application allows staff to review the plans and details of the event, and will suggest which special services may be needed for the event. The application is also a checklist of sorts, making sure the applicant submits all the necessary licenses, permits, or proof of insurance. After the application is submitted, staff will review the information and determine the fee amount for the event. The proposed fees for the permit are:

Special Events Permit Application Review Fee      \$50

City Staff – Professional (Administrator, Planning)	\$75 per hour (time & half for OT)
City Staff – Administrative Support	\$50 per hour (time & half for OT)
City Staff – Public Works Director	\$75 per hour (time & half for OT)
City Staff – Public Works Maintenance	\$50 per hour (time & half for OT)
Police Services – Additional Police Officers	(per current Police Services contract)

Grams explained the proposed fees associated with this permit will be included in the City's Fee Schedule. When an applicant comes in and submits an application, staff will go through the proposed fees with the applicant at that time.

Grams stated the application would be placed on the next Council meeting for review and approval. Most of the larger events within the City do already have separate approval components through the Council. This permit and process would replace that. The applicant would be invited to the Council meeting prior to the event, and asked to describe the event and what services are requested from the City. The Council would then review the event and approve or deny the event and permit at that time.

Grams indicated the applicant also has the ability to seek a waiver of any of the associated fees by attending the Council meeting and making that request. The ordinance includes that language (under §117.14 of the Special Event Permit Ordinance). The Council would then consider that request and make a decision to waive part of the fees, all of the fees, or none of the fees associated with that event.

Johnson questioned when these new changes would take effect. City Attorney Tietjen reported the new requirements would take effect after the Ordinance was published.

**A motion was made by Johnson, seconded by Stelmach, to approve the Special Events Permit Application. The motion carried 5-0.**

K. APPROVE AMENDED FEE SCHEDULE (Resolution)

Grams stated with the City Council approval of the Special Events Ordinance and application, the final step would be to add the associated permit fees to the Fee Schedule. The new Special Event Permit fees have been added under the Administration section of the 2018 Fee Schedule. Anytime the City Council amends the Fee Schedule, a resolution must be passed in order for the changes to be effective.

**A motion was made by Schulz, seconded by Stelmach, to adopt Resolution No. 2018-27 amending the Fee Schedule for 2018. The motion carried 5-0.**

L. APPROVE 2018 MUSIC AND MOVIES IN THE PARK SCHEDULE

Abts stated events are recommended for Tuesday nights, beginning June 12 and continuing through August 28. There are eight concerts and presentations, starting at 7 p.m. Six movies are planned for every 2nd and 4th Tuesday, starting at dusk. Concession vendors whose proceeds will support local nonprofits operating in Osseo could be allowed.

Abts suggested one Tuesday is reserved at the end of the season as a rain date for concerts rescheduled in case of inclement weather. Movies can be re-shown at no additional cost for up to one year.

Abts stated performers include local favorites as well as new acts. Groups like The Teddy Bear Band, Snake Discovery, and the Classic Big Band are returning. New acts include BlueDog, a blues group comprised of Native American artists; the Wildlife Science Center of Stacy, MN; the Capri Big Band, a diverse Twin Cities group that has played throughout the north metro; Danielle Daniel, an actress and author who combines music and storytelling in an all-ages presentation; and Patchouli, a husband and wife duo from Maiden Rock, Wisconsin.

Abts stated St. Paul's Lutheran Church has asked to sponsor Patchouli's performance. Band member Bruce Hecksel is an Osseo High School graduate and the son of former St. Paul's Lutheran Church pastor Stan Hecksel. Since the group will be performing in Europe and China this spring and summer, their Osseo performance will need to be in August. Given other performers' limited availability, they are scheduled August 28 and an earlier rain date is set for August 14. St. Paul's Lutheran Church can likely serve as a rain location for Patchouli.

Schulz commented while donations were much appreciated for the movies and music in the park, he noted the success of this program was not solely dependent upon being fully funded by donations. He reported the City could use park and recreation appropriations.

**A motion was made by Schulz, seconded by Johnson, to approve the proposed schedule and authorize City staff to enter into contracts with selected performers.**

Zelenak thanked staff for arranging all of the entertainment for this summer and noted she was looking forward to having the snake people back.

Schulz thanked the parks and recreation members for volunteering their time to make this program a great success.

**The motion carried 5-0.**

**M. APPROVE POLICY FOR DONATION OF SURPLUS EQUIPMENT TO A NONPROFIT ORGANIZATION**

Grams stated cities often find themselves in possession of property or equipment it no longer requires. The equipment may be in working condition and may have value to someone else. Cities have had the choice of selling excess materials from construction jobs, excess inventories, obsolete or outgrown equipment, and real property that does not fit the city's current or future needs. The City of Osseo has used the option to sell surplus items in the past via the adoption of resolutions.

Grams explained donations of surplus equipment to a nonprofit is a new option for cities. A model policy is offered by the League of MN Cities. It establishes the ability of the City to donate surplus equipment to a nonprofit organization under state law and defines important terms associated with this donation. The model policy provides procedural steps and safeguards such as a disclaimer of warranties and a form to be completed by the receiving organization to verify compliance with terms of the policy.

Grams reported cities could donate used fire or police equipment to other cities in this example. In an upcoming event promoted by the League of MN Cities, the City could recycle excess/unused computer equipment to the nonprofit organization PCs for People. This collection event is being held in Brooklyn Park in April. PCs for People uses NAID certification to wipe data from city-owned equipment, and then recycles or refurbishes

the equipment for reuse. Rather than discarding this equipment, it could be recycled/reused.

Schulz expressed concern that the City's hard drives would be cleaned by an outside third party. He stated he would rather see the hard drives destroyed versus being cleaned.

Stelmach agreed with this recommendation. Grams commented he could seek further information on how the hard drives would be handled from the League of Minnesota Cities.

**A motion was made by Schulz, seconded by Zelenak, to approve the model policy for Donation of Surplus Equipment to a Nonprofit Organization as presented. The motion carried 5-0.**

N. APPROVE RESOLUTION SUPPORTING LOCAL DECISION MAKING AUTHORITY (Resolution)

Grams explained the League of Minnesota Cities recently published and drafted model resolutions for City Councils concerned about the proliferation of 2017 and 2018 legislative initiatives aimed at restricting local decision-making authority. The League has historically supported the principle of local control, and opposed threats to local control at federal and state levels. One of the core values of the League is that locally elected decision-makers are in the best position to determine what health, safety, and welfare regulations best serve their constituents. So far, nearly 100 MN cities have passed similar resolutions supporting local decision-making.

Johnson supported the City adopting this resolution.

**A motion was made by Johnson, seconded by Stelmach, to adopt Resolution No. 2018-28 Supporting Local Decision-Making Authority. The motion carried 5-0.**

O. APPROVE ACCOUNTS PAYABLE

Grams reviewed the Accounts Payable with the Council.

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

11. ADMINISTRATOR REPORT – None.

12. COUNCIL AND ATTORNEY REPORTS

Stelmach stated he looked forward to meeting the new Traffic Safety Officer.

Poppe congratulated the City Council and City staff for their efforts in moving the City's bond rating up.

Poppe stated the Hennepin County Open Book Meeting would be held on Tuesday, April 17, at 5:00 p.m. at City Hall.

Poppe reported the Public Safety Advisory Committee was seeking a volunteer from the business community to serve with this board.

Poppe encouraged Osseo residents to register for the Step To It Challenge. He reported this challenge would take place from May 1 to 28.

13. ADJOURNMENT

**A motion was made by Schulz, seconded by Johnson, to adjourn the City Council meeting at 9:56 p.m. The motion carried 5-0.**

Respectfully submitted,

Heidi Guenther  
*TimeSaver Off Site Secretarial, Inc.*