

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
February 12, 2018**

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 12, 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, and City Attorney Mary Tietjen.

Others present: City Engineer Lee Gustafson, Breanne Rothstein and Emily Lueth—WSB, State Senator Warren Limmer, and Neil Lynch.

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. Approve Council Work Session Minutes of January 22
- B. Approve City Council Minutes of January 22
- C. Receive January Building Report
- D. Receive January Fire Relief Association Gambling Report
- E. Approve Training for Public Works Maintenance Worker Josh Schillinger
- F. Approve Community Center Fee Waiver for Library Programs in June
- G. Approve Exempt Permit for National Wild Turkey Federation Raffle at Osseo American Legion
- H. Approve Catering Agreement with Lynde's Catering
- I. Approve Hire of Firefighter Nathaniel Dahl

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

6. MATTERS FROM THE FLOOR – None.

7. SPECIAL BUSINESS

- A. UPDATE FROM SENATOR WARREN LIMMER

Senator Warren Limmer thanked the Council for its time and provided the City with an update on events at the Capitol. He stated the 2018 legislative session would begin on February 20. He discussed the committees he was involved in and reported on the initiatives he was spearheading. He anticipated the legislature would be addressing employee pensions and records retention rates for emails. He reported 2018 would be a bonding year. He provided further comment on the transportation issues facing the Osseo-Maple Grove region. He encouraged the Council to make his office aware of any issues or projects that should be addressed as part of an upcoming Bonding Bill.

Johnson thanked Senator Limmer for his presentation. He asked why the Republican Party was against a State gas tax. He anticipated this would assist with infrastructure needs in the State of Minnesota. He encouraged the State to consider a mileage tax for electric cars.

Stelmach questioned if cities, counties, and the State all had different data retention policies. Senator Limmer reported this was the case and noted the legislature would be addressing this matter in 2018. He stated the hope would be to create transparency and uniformity to address the expense of storing data long-term.

B. APPROVE DRAFT COMPREHENSIVE PLAN – Breanne Rothstein, WSB

Breanne Rothstein, WSB, stated each community in the seven-county Metro region must update its Comprehensive Plan every ten years. She commented on the taskforce meetings that were held for the Comprehensive Plan. The Plan guides future development and helps the community get from ‘where we are’ to ‘where we want to be’. The plan covers topics including:

- Land use
- Redevelopment
- Housing quality
- Park and recreation systems
- Community facilities
- Commercial and economic development
- Community infrastructure systems
- Surface water management, and
- Transit and transportation.

Ms. Rothstein reported the Comprehensive Plan serves as the framework for many City policies. This includes the City’s zoning and land use as well as other priorities. This update to the plan also highlights components that influence public health. These parts of the plan were funded through a grant from the Minnesota Department of Health, administered through Active Living Hennepin County.

Ms. Rothstein explained the vision statement for Osseo was to be an accommodating, business friendly, and connected City that promotes community vitality and housing diversity while supporting the safety and well-being of all who live, work, and visit.

She discussed the six vision themes that were addressed within the Comprehensive Plan, those being Accommodating, Community Vitality, Business Friendly, Safety and Well-Being, Housing Diversity, and Connected. She noted the regional trend towards smaller household sizes away from those married with children. The amount of household growth projected by 2040 was discussed, and she noted Osseo was a place people wanted to live due to the fact the City was an urban community in a suburban environment with small

town values. Community vitality and business-friendly strategies were described with the Council. She commended the City on its affordable housing stock and encouraged the Council to consider how to continue to invest in its housing stock. Areas slated for future redevelopment were noted. The last issue discussed was the City’s transportation strategies within the Comprehensive Plan.

Stelmach thanked Ms. Rothstein for her thorough presentation. He asked how the Comprehensive Plan defined “households”. Ms. Rothstein stated this was defined by the census as any single unit, a multi-family home, single-family home, etc.

Johnson thanked Ms. Rothstein for all of her hard work and stated he was pleased with the draft Comprehensive Plan. Ms. Rothstein reported the Comprehensive Plan would be placed on the City’s website once approved.

Grams thanked Ms. Rothstein for all of her efforts on behalf of the City of Osseo.

A motion was made by Johnson, seconded by Stelmach, to approve the draft Comprehensive Plan Update as presented. The motion carried 4-1 (Schulz opposed).

C. ACCEPT DONATIONS (Resolution)

City Administrator Riley Grams stated the City has received the following donations:

<u>Donor</u>	<u>Amount/Item</u>	<u>Designated Fund</u>
Northwest Area Jaycees	\$ 500	Music/Movies in the Park
Fire Relief Association	\$ 2,000	Music/Movies in the Park
Harold E. & Gayle Johnson	\$ 200	Fire Fund
Duffy’s Bar & Grill	\$ 1,000	Police Equipment Fund
Harold E. & Gayle Johnson	\$ 500	Beautification/Flower Fund
<i>(in memory of Bob Krois, Arthur Kvamme, Richard Potvin, Roman Schommer & Thomas Spartz)</i>		

Staff recommended the Council accept the donations.

A motion was made by Schulz, seconded by Stelmach, to adopt Resolution No. 2018-8 accepting donations from the Northwest Area Jaycees, Fire Relief Association, Harold E. and Gayle Johnson, and Duffy’s Bar & Grill. The motion carried 5-0.

8. PUBLIC HEARINGS – None.

9. OLD BUSINESS

A. APPROVE TERMINATION OF RENTAL LEASE AT 25 4TH STREET NE

Grams reported current tenant Phillip Goebel has asked the City to consider approving an early termination of the current rental lease at 25 4th Street NE. Mr. Goebel signed the original lease in December of 2015. Prior to the end of the original lease period, Mr. Goebel signed a 12-month lease extension with the City starting in July 2017. Per the current lease, Mr. Goebel is responsible for rental payments through June 2018.

Grams stated Council discussed the early termination of the lease at the January 22 Council meeting. Council tabled action at that meeting to allow staff additional time to

review the existing agreement with Renters Warehouse to determine what fees, if any, would the City and/or the tenant be liable for if proceeding with the early termination.

Grams commented, per the agreement with Renters Warehouse, the tenant would be responsible for a \$150 lease modification fee, which includes terminating the lease early. The \$150 fee would come directly from Renters Warehouse to the tenant. Additionally, the City could pass on any legal expenses incurred as a result of researching and providing legal advice on this item. The amount would be tabulated once the end-of-the-month hourly allocation spreadsheet is received from the City Attorney's firm. This amount would be invoiced to the tenant directly from the City.

Grams stated the monthly fee (\$89) from Renters Warehouse is only invoiced if the landlord (the City) is receiving rental payments from a tenant. If the Council approved the early termination of the lease for February 28, 2018, the monthly payments to Renters Warehouse would end on that date as well. The City also collected the standard one-month's rent for a damage deposit. When any tenant moves out, the City examines the property for any damage and, if any is found, uses the damage deposit funds to pay for those expenses. Any remaining balance is then returned to the tenant.

Grams indicated Mr. Goebel has asked the City to terminate the lease on February 28. Mr. Goebel has not been late on rent payments. If the Council approves his request, he will be responsible for the \$150 lease modification fee (from Renters Warehouse) and any City-incurred legal fees as a result of this process.

Stelmach asked if the City would be responsible for the lease modification fee if not paid by the renter. Grams reported the City would not be responsible.

A motion was made by Schulz, seconded by Stelmach, to approve the early termination of the rental lease at 25 4th Street NE subject to any fees or City-incurred costs. The motion carried 5-0.

10. NEW BUSINESS

A. CONFIRM EDA ACTIONS OF FEBRUARY 12, 2018

Grams discussed the actions of the EDA. He noted the EDA approved accounts payable, discussed the North Central Redevelopment proposals, approved a letter of intent to purchase a redevelopment property, and discussed the Osseo Spring Opener.

A motion was made by Johnson, seconded by Stelmach, to confirm the EDA Actions of February 12, 2018. The motion carried 5-0.

B. APPROVE PLANS/SPECS AND ADVERTISE FOR BIDS FOR 2018 STREET PROJECT (Resolution)

Lee Gustafson, WSB, stated the 2018 street reconstruction project consists of reconstructing portions of 4th Avenue NE, 4th Street NE, and 6th 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 commented as part of the City's initiative to increase walkability around the City, sidewalk installation is being proposed for certain portions of 4th Avenue NE, and in front of one property on 4th Street NE. In determining the benefit of adding sidewalk with this project, these streets were evaluated for potential impacts, connectivity to existing walk, and overall benefit to adjacent properties. Based on this evaluation, new sidewalk is proposed for the west side 4th Avenue NE. A neighborhood meeting was held on December 5 for the residents along 4th Avenue NE to discuss the proposed sidewalk installation on the west side of the street. Meeting attendance was light, and there were some residents that did not favor the proposed sidewalk installation.

Mr. Gustafson reported storm and sanitary sewer televising, and geotechnical evaluation was performed as a part of preparing the feasibility report to help calculate pavement design and recommended utility repairs. Sanitary pipes within the project area are proposed to be cleaned and lined as part of a future maintenance project. Watermain valves and hydrants will be replaced or relocated as needed.

Mr. Gustafson stated drainage issues currently exist on 4th Avenue NE and 4th Street NE. Limitations in the existing storm sewer system and street grades unfortunately do not allow for a complete fix option. However, the plans call for some drainage improvements that will help relieve some of the problems. On 4th Avenue NE, the existing catch basins are being improved and the curb will be replaced. On 4th Street NE, street grades are being adjusted to push water to new catch basins. These new catch basins will route water through a new pipe that is being installed in the alley north of 4th Street between 5th and 6th Avenues NE. He reviewed the proposed project timeline and recommended approval.

Stelmach commented on the low point on 4th Avenue and asked how the increased pipe capacity would help. Mr. Gustafson stated the larger pipe would increase flow from one street to the next.

Stelmach questioned if the roadway could be regraded to shift the low point. Mr. Gustafson reported Engineer Emily Lueth had considered this option and noted this would not correct the problem. For this reason, WSB was recommending an arch pipe be installed to increase the low flow away from the site.

Schulz asked if the new sidewalk along 4th Avenue would have a boulevard or if it was back-of-curb. Mr. Gustafson reported the new sidewalk would have a boulevard.

Schulz requested further information on the trench drain. Emily Lueth, WSB, explained the proposed trench drain would be installed in the City's existing right-of-way. She noted the size would be increased in order to catch more water.

Stelmach asked if staff had received any recent comments from the public. Grams stated staff has not received any comments beyond those received at the neighborhood meetings.

A motion was made by Johnson, seconded by Schulz, to adopt Resolution No. 2018-9 approving Plans and Specifications and Authorizing the Advertisement for Bids for the 2018 Street Reconstruction Project. The motion carried 5-0.

C. APPROVE PLANS/SPECS AND ADVERTISE FOR BIDS FOR 2018 ALLEY PROJECT (Resolution)

Lee Gustafson, WSB, stated the 2018 alley project consists of reconstructing two alleys:

Alley #1.

This alley is between 5th and 6th Avenues NE from 4th Street NE to 93rd Avenue North, and was originally scheduled for reconstruction in 2017. Construction was postponed due to the high bids that were received last spring. Reconstruction work also includes repairing or minimal reconstruction of the storm sewer. It is proposed to maintain the existing alley width 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. Storm sewer televising and geotechnical evaluation was performed to help calculate pavement design and recommended storm sewer repairs.

The total project cost for this alley is estimated at \$246,500, and includes all proposed surface and storm sewer improvements as well as all engineering, legal, financing, and administrative costs. Detailed cost estimates can be found within the feasibility report. The opinions of cost incorporate estimated 2018 construction costs and include a 10% contingency factor. Administrative costs are projected at 25% of the construction cost and include engineering, legal, financing, and administrative costs.

Alley #2.

This alley is between 2nd and 3rd Avenues NE from 4th Street NE to 93rd Avenue North. Work includes repairing or minimal reconstruction of the storm sewer. It is proposed to maintain the existing alley width 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. Storm sewer televising and geotechnical evaluation was performed to help calculate pavement design and recommended storm sewer repairs.

The total project cost for this alley is estimated at \$232,700, and includes all proposed surface and storm sewer improvements as well as all engineering, legal, financing, and administrative costs. Detailed cost estimates can be found within the feasibility report. The opinions of cost incorporate estimated 2018 construction costs and include a 10% contingency factor. Administrative costs are projected at 25% of the construction cost and include engineering, legal, financing, and administrative costs.

Mr. Gustafson reported financing the 2018 Alley Reconstruction Project 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. Assessments for this project were calculated by dividing 80% of the total cost of the project equally among adjoining residents. For alley #1 there are a total of 27 properties benefiting from the improvements equating to a cost of \$6,580 per parcel. For alley #2 there are a total of 28 properties benefiting from the improvements equating to a cost of \$5,970 per parcel. Staff reviewed the project timeline and recommended approval of the project.

A motion was made by Johnson, seconded by Zelenak, to adopt Resolution No. 2018-10 approving the Plans and Specifications and Authorizing the Advertisement for Bids for the 2018 Alley Reconstruction Project. The motion carried 5-0.

D. APPROVE AGREEMENT FOR CLEANING SERVICES

Grams stated a 90-day termination notice was received from the current cleaning company (Intact Building Services) at the end of December. The City prepared a Request for Proposal and it was approved by the City Council at the January 8 Council meeting. The RFP was sent to 16 cleaning companies and posted on the City website, along with an ad

in The Press. Several proposals were received. The lowest quote was from Coverall Cleaning System, a national company with a regional branch in Bloomington, MN.

Grams reported City Attorney Mary Tietjen has prepared an agreement that is currently being reviewed by Coverall staff. Upon approval by the City Council, the agreement will be signed by Coverall and the Mayor and City Clerk. An approximate start date for the new cleaners is March 1.

Stelmach asked how the City would cover the extra expense for this contract. Grams reported funds would be taken from the Contingency Fund.

A motion was made by Zelenak, seconded by Stelmach, to authorize staff to enter into an Agreement with Coverall Cleaning System at the proposed rates presented in the Request for Proposal. The motion carried 5-0.

E. APPROVE DOWNTOWN BANNER CONTEST

City Planner Nancy Abts explained the City currently has two designs for the Central Avenue Banners. Red and green banners are displayed in the winter, and orange and blue banners are used in the summer. There are approximately 70 banners in each design. These banners have been used for approximately 5 years and are beginning to show their age. The Parks and Recreation Committee discussed the need for new banners and recommended holding a contest to solicit ideas for new designs. The following schedule is proposed:

Feb. 12	City Council approves contest; materials distributed
March 22	Entries Due, 4 p.m.
April 3	Parks & Recreation Committee reviews entries; makes recommendation
April 9	City Council announces winners and awards contract for banner printing
Week of May 7	Summer banners up in time for Intermarque Vintage Foreign Car Show
Fall 2018	Winter banners up

Abts reported the contest will be promoted though the City's website and social media channels. A notice can also be sent to The Press and area high school art departments.

Schulz stated he supported the proposed banner contest. He recommended the City's logo designer review the artwork submitted. He suggested the City award \$100 to the winner in order to encourage local artists to participate in this contest.

Stelmach stated he could support a \$100 prize to the winning artists.

Zelenak suggested a prize not be offered in case none of the submissions were selected.

Johnson asked if the artwork would be the City's once it was submitted by the artist. City Attorney Tietjen commented on the terms and conditions of the contest and reported all artwork submitted would become City property upon submittal and will be surrendered after project completion.

A motion was made by Schulz, seconded by Stelmach, to approve the Banner Contest awarding \$100 to each accepted winner. The motion carried 5-0.

F. APPROVE YOUTH SPORTS RECREATION CLASSES

Abts stated in 2017 the City of Osseo contracted with Revolutionary Sports to provide youth sports programs. The programs were well received, and the provider was easy to work with. Staff recommend continuing to work with this provider for 2018.

Abts reported the Parks and Recreation Committee agreed with recommendations from Revolutionary Sports. The group suggested consolidating programming to one night a week, offering additional sports, and adding a fall session. The expanded programming includes some of RevSports' most popular programs: soccer, baseball/t-ball, flag football, lacrosse, and a Ninja Warrior obstacle course program.

Abts explained for most sports a change of venue from Sipe Park to the fields at the Osseo Education Center (former Elementary School) is proposed. With a new picnic shelter at Sipe Park, there is limited space. RevSports appreciates the opportunity to have a dedicated space with no user conflicts. Especially if two programs are offered at the same time, it is helpful to be able to spread out. According to the school district, no other groups reserve the fields there and there is no charge for using the facilities. The City has a general agreement in place with ISD 279 to allow the outdoor rinks and warming house to operate on school property. These programs would be offered in a similar vein.

Abts stated most of the details of the program will remain similar to last year. Enrollment minimums and prices are unchanged. RevSports will provide coaches, and the City will manage registration and enrollment processes. Programs are offered for ages 2-9. Parents participate alongside younger children. Each session will last six weeks. RevSports recommends sticking to one night a week for programming, so Mondays are proposed.

Zelenak requested further information on what was happening with the camps. Abts stated last year 12 students participated in the camps. Logistics for these programs were still under consideration.

A motion was made by Zelenak, seconded by Stelmach, to approve the extension of agreement for services with Revolutionary Sports for summer and fall programs. The motion carried 5-0.

G. APPROVE RESOLUTION OF SUPPORT FOR GRANT APPLICATIONS
(Resolution)

Abts stated Hennepin County offers grants to cities for a wide range of activities. The Transit Oriented Development (TOD) program supports development that promotes a mixture of housing, retail, services, jobs, and open space within walking distance of transit. Projects located within ¼ mile an express bus route are eligible for TOD funding. Because Osseo is served by an express bus line, TOD funding can be used for property acquisition.

Abts reported the CDBG fund is a subgrant of federal funds intended to be used in a conjunction with Hennepin County's missions, with a specific focus on efforts to serve low- to moderate-income populations. CDBG funds can be used to acquire property to be used for future housing development. Osseo has access to CDBG funds through a "consolidated pool" of smaller suburban Hennepin County cities that do not receive a direct federal allocation of CDBG monies. She commented staff has requested funding to assist the Osseo EDA with purchasing properties for redevelopment as part of the "North Central" redevelopment area.

Stelmach asked if there was a specific timeline for the use of these grant funds. Abts stated she has asked this question of the grant administrators, and timeliness of expenditures was

an important aspect of making awards. She explained she could investigate this further and report back to the Council.

Stelmach questioned if there was a cost to the City to submit the grant proposals. Abts stated the only expense to the City was staff time needed to prepare applications.

Johnson inquired if the City had to list the property it was hoping to acquire within the grant. Abts stated this was not strictly required but could assist the City in receiving grant funding.

A motion was made by Johnson, seconded by Stelmach, to adopt Resolution No. 2018-11 supporting Grant Submittal to Hennepin County for TOD Grant for Property Acquisition for the “North Central” Redevelopment Project. The motion carried 5-0.

A motion was made by Schulz, seconded by Zelenak, to adopt Resolution No. 2018-12 approving proposed Application for 2018 Urban Hennepin County Community Development Block Grant (CDBG) Program Funds and Authorizing Execution of Subrecipient Agreement with Urban Hennepin County and any Third Party Agreements. The motion carried 5-0.

H. APPROVE JOB DESCRIPTION FOR PUBLIC WORKS DIRECTOR AND POSTING OF POSITION

Grams stated the City recently posted for the upcoming opening for the Public Works Director position. Of the twelve applications received, seven did not meet the minimum educational requirement (an Associates or Technical degree). Because this narrowed the available candidates greatly, staff would like to change the minimum requirements for the position and re-post the position opening to allow additional qualified applicants the opportunity to apply. Under the Education and Experience section, the Public Works Director position description would read:

“Associates/Technical degree in a public works related field or five plus year’s experience in public works maintenance and repair (including supervisory experience).”

Grams commented this would allow those applicants who may not have an Associates or Technical degree, but have years of experience working in this field, the necessary qualifications to be considered for the Director position.

Grams stated because we would be changing the minimum requirements for the position, the City will need to re-post the position to allow any and all qualified applicants the opportunity to apply. If approved, the position posting would go live on Tuesday, February 13, with the application window ending at 11 a.m. on Friday, February 23. City staff would then re-score all applications, and invite the top candidates to the first-round interview on March 1. From there, the top few candidates would be invited to the second round of interviews on March 5. The Council HR Committee would be a part of the second round of interviews. From there, the selected candidate would go to the Council meeting on March 12 for approval, with the candidate then beginning employment in late March or early April.

Schulz asked if it was necessary for potential candidates to have specific water and Class D endorsements or if these licenses could be pursued after being hired by the City. Grams

stated the intention of this portion of the job description language was explaining at least one member of the Public Works Department had to have these licenses.

Schulz suggested the licenses be changed from required to encouraged and that staff further define the necessary requirements to be eligible for the position. Grams agreed with this recommendation. He noted a Class B license would remain a requirement for the position. He stated he would like to see the Public Works Director obtaining all of these licenses within twelve months of being hired if he or she does not have them already.

Schulz and Stelmach supported this recommendation.

Stelmach asked if the City would be paying for the training of the new Public Works Director if he or she did not already have the required licenses. Grams reported this was the case.

A motion was made by Schulz, seconded by Johnson, to approve the updated Public Works Director position description with the stated changes and authorize staff to repost the position opening. The motion carried 5-0.

I. 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 5-0.

11. ADMINISTRATOR REPORT – None.

12. COUNCIL AND ATTORNEY REPORTS

Stelmach welcomed Nathaniel Dahl to the Osseo Fire Department.

Poppe stated the City was seeking Commission members at this time. Those interested in serving were encouraged to contact City Hall for further information.

Poppe reported City Hall would be closed on February 19 for Presidents' Day.

13. ADJOURNMENT

A motion was made by Schulz, seconded by Zelenak, to adjourn the City Council meeting at 8:50 p.m. The motion carried 5-0.

Respectfully submitted,

Heidi Guenther
TimeSaver Off Site Secretarial, Inc.