

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
September 28, 2020**

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, September 28, 2020. Due to the COVID-19 pandemic this meeting was held virtually.

2. ROLL CALL

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

Staff present: City Administrator Riley Grams, Community Management Coordinator Joe Amerman, Police Chief Shane Mikkelsen, Public Services Director Nick Waldbillig, and City Attorney Mary Tietjen.

Others present: Molly Just-WSB.

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 Stelmach, seconded by Johnson, to accept the Agenda as presented. A roll call vote was taken. The motion carried 5-0.

5. CONSENT AGENDA

- A. Receive September 14 EDA Minutes
- B. Approve September 14 Council Minutes
- C. Receive August Osseo Lions Club Gambling Report
- D. Receive August Hockey Association Gambling Report
- E. Receive September 21 Planning Commission Minutes
- F. Approve Community Center Rental Waiver and Special Event Permit for Lions Halloween Event
- G. Set Truth in Taxation Public Hearing date for November 30 at 6:00 PM
- H. Approve Special Event Permit Request for Minnesota Mediation Center

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

6. MATTERS FROM THE FLOOR – None.

7. SPECIAL BUSINESS

A. ACCEPT DONATIONS (Resolution)

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

Donor	Amount/Item	Designated Fund
Ronald & Nancy Roden	\$100	Beautification
Harold & Gayle Johnson <i>(in memory of Timothy Burkstrand, Gwen Joyner Christensen, Yvonne Moen, Patricia Schommer & Gilbert Valerius)</i>	\$500	Beautification

Staff recommended the Council accept the donations.

A motion was made by Stelmach, seconded by Hultstrom, to adopt Resolution No. 2020-51 accepting donations from Ronald & Nancy Roden, and Harold E. & Gayle Johnson. A roll call vote was taken. The motion carried 5-0.

8. PUBLIC HEARINGS – None.

9. OLD BUSINESS – None.

10. NEW BUSINESS

A. DISCUSS/APPROVE STEEPLE POINTE SIDEWALK PROJECT – Lee Gustafson, WSB

Lee Gustafson, City Engineer with WSB, stated earlier this summer it appeared everything was ready to have the Steeple Pointe sidewalk replaced in August. The 2020 street contractor had indicated they would do the work along with their concrete subcontractor when they had the 2020 project substantially complete. As August 1 approached, the 2020 contractor changed their mind about willingness to do the work.

Mr. Gustafson explained WSB immediately began talking to other contractors to see how this work could still be accomplished in 2020. Concrete contractors indicated that they did not want to do the removal and restoration which necessitated the need to find a contractor to do this work. At the time of the August 24 Council meeting, WSB had a concrete contractor on board and was looking for a second contractor to do the removals. Shortly after that meeting, the concrete contractor indicated they no longer had time to do the work.

Mr. Gustafson commented WSB has recently been working with a commercial concrete contractor to see if they could do all the work. As of September 24, the contractor has not confirmed they can do the work nor have they given the city a cost estimate. Currently, there are essentially two options to get this work done. The first option is to continue searching for a company that could still get it done this year. WSB has estimated the work to cost approximately \$75,000 to \$80,000 and that would be for the sidewalk only. The boulevard work to match the new Central Avenue concept would be completed in 2021 along with the city hall block. The second option would be to postpone all work until 2021 and include it with the city hall block work. Costs would

likely be cheaper, and staff would have the ability to include this work in a grant application for possible funding.

Johnson asked if the sidewalk would be the same color this fall as it would be next spring. Mr. Gustafson reported this was the case.

Johnson explained this block was in dire need of repair. He questioned what the City's liability would be if the repair were not made until spring. City Attorney Tietjen commented every situation is different, but generally people do have an obligation to work out sidewalk situations, especially when situations were obvious. She explained the City could post signage to mitigate the risk.

Johnson inquired if a temporary fix could be made. Waldbillig reported the City could cover the area with asphalt as a temporary solution. Grams explained the issues on this block were due to the snow removal contractor that was hired by Steeple Pointe. He stated the remainder of the pavers along Central Avenue were in okay condition. He reported the salt usage on this block was another concern he had and noted he would be speaking with the people at Steeple Pointe regarding this matter.

Johnson stated an asphalt patch would be a waste. He recommended the area be fenced off in the worst areas for this coming winter. He supported the City waiting to complete the work next spring.

Stelmach commented he wanted to maintain pedestrian safety in the City. He explained if the project was pushed to next spring, he wanted to have the temporary asphalt patch in place.

Schulz reported he and Johnson reviewed this project in detail. He believed the most responsible thing to do was to close the sidewalk and push the project to next spring. He recommended the worst areas being fenced off with "Sidewalk Closed" signage. He explained he did not support the City spending money on a temporary fix.

A motion was made by Schulz, seconded by Johnson, to direct staff to postpone the sidewalk repairs until 2021, to apply for a DEED grant, and to close off this section of sidewalk (the Steeple Pointe block) through the spring of 2021. A roll call vote was taken.

Stelmach stated he would be voting against this motion because he believed it was a mistake to redirect traffic onto the street.

The motion carried 3-2 (Stelmach and Poppe opposed).

B. APPROVE REZONING REQUEST FOR 109 BROADWAY STREET EAST (Resolution)

Molly Just, WSB, stated the applicant is requesting a change in zoning to allow for the development of a single-family home on the subject property. Currently the property is zoned CBD, Central Business District. The applicant is requesting that the zoning be changed to R-1, One- and Two-Family Residential. The Osseo Planning Commission held the required public hearing on Monday, September 21, 2020. After review of the rezoning application, the Planning Commission recommended approval of the

application to the City Council by a 6-1 vote. Development of the subject property will be required to comply with Sections 153.051 (Land Alteration; Erosion Control) and Section 153.061 (Stormwater Management). Included with the recommended motion are conditions of approval to put staff and the applicant on notice of the requirement. The conditions require City Engineer review of the proposed improvements prior to issuance of a building permit and prior to Final Project Inspection. She commented further on the request and recommended approval with conditions.

Schulz asked if this property had a future zoning for Core Downtown/Mixed Use within the Comprehensive Plan. Ms. Just explained this was correct and noted this included a mix of commercial and residential.

Schulz questioned why the City would consider rezoning this property to R-1 instead of Core Downtown. Ms. Just indicated the applicant would like to develop the lot with a single family home and the logical proposed zoning for the applicant was single family, R-1. She reported staff believed R-1 was consistent with the development and zoning designation of the surrounding properties.

Schulz requested further information regarding snow storage, water runoff, and drainage for this site. Ms. Just explained the applicant had requested to rezone the property. She indicated if the rezoning were approved, the applicant would submit development plans for this site, which would include snow storage, water runoff, and drainage. She reported the City Engineer was aware of the concern the City had regarding drainage and water runoff.

Johnson indicated this property was located within a TIF district. He asked what happened when a property was removed from a TIF district. Amerman explained this TIF district was created in 2002 and the last TIF payment was made in 2012. Staff recommended this parcel be removed from the TIF district through an EDA Resolution. Grams reported staff was working with Rebecca Kurtz at Ehlers on this matter to get this property back on the tax rolls.

Further discussion ensued regarding the portion of street that was a permanent easement for the North Clinic.

A motion was made by Johnson, seconded by Hultstrom, to adopt Resolution No. 2020-52 approving the rezoning request from CBD, Central Business District to R-1, One and Two-Family Residential District, for the property located at 109 Broadway Street East with the following conditions:

1. By exercising the rights approved by the request, the applicant agrees to all conditions.
2. Prior to issuance of a building permit, the applicant shall demonstrate to the satisfaction of the City Engineer that the proposed development meets the standards for land alteration, erosion control, and stormwater management.
3. Prior to Final Project Inspection, the applicant shall demonstrate to the satisfaction of the City Engineer that the site improvements meet the standards for land alteration, erosion control and stormwater management.
4. The applicant must obtain all other permits as may be required.

A roll call vote was taken. The motion carried 5-0.

C. APPROVE REQUEST FOR PROPOSAL FOR WATER METER REPLACEMENT PROJECT

Grams commented staff has been working with a few water meter contractors that could provide the materials, supplies, and installation of all new water meters for the City. The current water meters and water meter software used by the City are over 20 years old and now past their useful lifespan. The water meter software itself is scheduled to lose all support by December 31, 2021, and parts for the actual meter reading devices themselves are no longer being produced. Over the last few years, Public Works staff has put in a lot of time troubleshooting issues with many meters around town, as some are not accurately tracking water usage. This results in unbilled water usage to the customer, even though the City still pays for that water from the City of Maple Grove. The City has experienced water loss more recently and aging water meters contributes to that loss. In 2019 alone, the City lost 24,044,233 gallons of water which cost us \$39,081.50. In the first and second quarter of 2020, we have lost 10,362,237 gallons of water, which has cost us \$16,842.78 so far this year.

Grams reported City staff members (Public Works Director Nick Waldbillig, City Accountant April Weller, and Grams) have been working with the Council Risk Management Committee (Councilmembers Schulz and Stelmach) over the last few months meeting with prospective contractors to discuss the City's replacement project. Presentations from Core & Main, Dakota Supply Group, and Ferguson provided info on different types of systems. Staff also connected with local communities to get insight and advice on different types of meters.

Grams explained the first step in replacing all the water meters in the City is to approve a Request for Proposal (RFP) that will be sent to contractors in this line of work. The draft RFP was created using several examples from other communities after they completed similar replacement projects. The RFP will provide the necessary project information to contractors so that they may bid on the project accordingly. Bids will be due by October 12. After that date, the Risk Management Committee and staff will review the bids and recommend approval of one contractor to the Council, likely at the October 26 Council meeting. The Council should then consider a contract with the selected contractor for approval. We anticipate that installation of the new water meters would begin on or around April 1, 2021.

Johnson requested further information on how the loss of water was occurring. Waldbillig explained the City was currently using a PD (Positive Displacement) meter that has been submerged in hard water. He noted it took quite a bit of water flowing through the meter to get it moving. He explained the new meters would not have any moving parts that could be slowed down by hard water over 20 years. Grams explained this loss of water was costing the City money because Osseo must pay for all water received from Maple Grove.

Johnson questioned when meter replacements would occur. Grams reported the plan was to have the RFP bid by local contractors. The bids would be due October 12 at 4:00 p.m. He noted the bids would be reviewed by the Risk Management Committee and a recommendation would be made to the Council for approval at the October 26 meeting. Waldbillig commented further on how the water meter installations would be

managed by the contractor in the spring of 2021. He reported the contractor would have a third party call center to handle all water meter replacement scheduling and questions. He explained the contractor would begin water meter installation on April 1 after the snow and ice had melted.

Schulz explained he was unaware of how easy it was for residents to tamper with the existing meters. He appreciated the fact that the new meters would be tamper proof. Grams commented on how the new software program would integrate well with the new water meters.

Johnson requested further information on how the new system would be able to send alerts regarding potential water leaks. Waldbillig explained the City would be going with a smart system with AMI that would allow for two way communication with meters. He indicated this system would allow for the City to review and print out 40 day usage on water meters.

Stelmach stated with the new water meters the end users would be able to set alerts and be made aware of additional water usage to address concerns before receiving a pricey water bill.

A motion was made by Stelmach, seconded by Hultstrom, to approve posting the RFP for the water meter replacement project, changing the RFP deadline to October 12, 2020, at 4:00 p.m. A roll call vote was taken. The motion carried 5-0.

D. DECLARE ITEM AS SURPLUS (Resolution)

Waldbillig stated the 2005 Chevrolet flatbed truck was purchased by the previous Public Works Director in 2015 at an auction. The truck needs repair to the brake system, front hub assemblies, and drivetrain. This vehicle has been replaced with a 2020 model Flatbed. Staff commented further and recommended the Council declare the item as surplus.

A motion was made by Hultstrom, seconded by Johnson, to adopt Resolution No. 2020-53 declaring City Property as Surplus and Authorizing its Sale. A roll call vote was taken. The motion carried 5-0.

E. APPROVE PURCHASE OF LAWN CARE EQUIPMENT

Waldbillig stated the current mower was purchased from A-1 Outdoor Power in 2010 and needs replacement. This mower is used to maintain Boerboom Park, Sipe Park, City Hall, the sound wall, and some portions of the County Road 81 ditches. By purchasing a similar mower from A1 Outdoor Power, the City would get the best value for the current trade. The purchase of a new ExMark mower also allows us to transfer the entire old bagging system including the fan, pulleys, belts, and bags to the new mower. The bagging system is in great condition due to its limited use during fall clean up and will save \$3,257.75 on the purchase and assembly of the new bagging system. The new ExMark mower comes with several upgrades including fuel injection for efficiency, reliability, and reduced emissions. It will also have a digital display that will inform the operator of any onboard issues along with tracking maintenance intervals and low oil

pressure shutdown. Staff commented on the purchase further and recommended approval.

Schulz stated he appreciated the fact the City focused on maintaining the ditches along County Road 81.

Johnson asked if this purchase was included in the 2020 budget. Grams reported this item was budgeted and the City had adequate funds to cover the expense.

Johnson questioned if the purchase could wait until next spring. Waldbillig recommended the purchase be made now versus in the spring because the price would increase in the spring.

A motion was made by Hultstrom, seconded by Stelmach, to approve purchase from A-1 Outdoor Power in the amount of \$10,728.75. A roll call vote was taken. The motion carried 5-0.

F. APPROVE PURCHASE OF POLICE PROTECTIVE EQUIPMENT

Police Chief Shane Mikkelsen stated Minnesota has endured civil unrest. During these incidents law enforcement have used what is called Mobile Field Force Tactics. The Police Department has been trained in the past on these tactics but has never had the equipment for the officers to make it safer for both the officers and the public. With the continued civil unrest and threatened use of civil unrest he stated that it is now time to purchase equipment that would outfit the police officers to keep them safe. It was noted this equipment is not offensive but rather defensive in nature. The equipment would assist the police officers while keeping this community safe during a time of civil unrest. The total price for the needed equipment is \$1,638.72 per officer for a total of \$11,471.04 for the department.

Stelmach anticipated that the department never wanted to utilize this equipment, but he supported the department having this equipment in the event it was necessary.

Johnson questioned if Osseo provided any mutual aid during the recent disturbances/civil unrest. Police Chief Mikkelsen reported the Police Department assisted Brooklyn Park and Maple Grove. He commented the unrest could happen anywhere if an Osseo police officer were involved in a shooting.

A motion was made by Johnson, seconded by Stelmach, to approve the purchase of the civil unrest equipment totaling \$11,471.04. A roll call vote was taken. The motion carried 5-0.

Police Chief Mikkelsen reported officers began using body cameras and the new squad cameras last week. He thanked the Council for supporting this purchase.

G. APPROVE FIRST READING OF ORDINANCE FOR ASSESSING FALSE FIRE ALARM CHARGES

Grams stated the city has assessed for the delinquent utilities each year. However, the need arises now for assessing of unpaid false alarm charges. The city fee schedule has

had fees related to fire false alarms for many years but not had a situation before where assessing is necessary for collection of unpaid charges. City Code 90 Alarm Systems does not currently outline assessing of unpaid charges. He reviewed the fees that were currently being charged for false alarm fire calls.

Grams reported that an apartment building complex in 2019 experienced ongoing malfunctioning of its alarm systems. Fire Chief Mike Phenow kept trying to get ahold of management and the alarm company to get them to resolve the issue and it took them far too long to resolve it, so the fire department kept getting paged time and time again. The Fire Department responded to 16 false alarms at this apartment complex in 2019. The invoice from October 2019 for 14 false alarms totals \$2,800. The first two alarms were free, per the City fee schedule. City Accountant April Weller has sent repeated invoices, left several voicemails, exchanged several emails with the apartment's management company, and even sent the police department to the apartment building with the invoice, but has experienced no luck in collecting the balance owed for their unpaid false alarms. Staff commented further on the ordinance and recommended the council approve the first reading and waive the second reading and adopt the ordinance this evening.

Stelmach stated he would be voting to approve the Ordinance this evening.

A motion was made by Hultstrom, seconded by Johnson, to approve the first reading, waive the second reading, and adopt an Ordinance establishing fees for false alarms related to emergency fire and police service and authorizing certification of delinquent charges. A roll call vote was taken. The motion carried 5-0.

H. CONSIDER WAIVER OF UTILITY LATE PENALTIES FOR Q3 AND Q4

Grams stated third quarter utility bills are set to be mailed the week of October 12. The Council may choose whether to continue waiving late fees on delinquent utility accounts for third and fourth quarter utility bills, which penalties will be processed in fourth quarter 2020, and first quarter 2021, respectively. He estimated the total late fees ranged from \$3,000 to \$6,000 per quarter. The City has already waived late fees on utility bills in quarters 1 and 2 in 2020.

Stelmach stated he supported the City waiving utility late fees for Q3 and Q4.

A motion was made by Hultstrom, seconded by Stelmach, to approve waiver of utility penalty fees for third and fourth quarter utility bills. A roll call vote was taken. The motion carried 5-0.

I. APPROVE AMENDMENT TO HENNEPIN COUNTY RECYCLING GRANT AGREEMENT (Resolution)

Grams explained Hennepin County receives annual funding from the state's Select Committee on Recycling and the Environment (SCORE) fund and distributes 100% of this money to cities in accordance with the county's funding policy. Grants are awarded based on the number of households with curbside recycling service and the number of households signed up for and receiving curbside organics recycling. The cities' recycling programs must meet several basic requirements to receive funding, including standard

materials accepted, partnership on education and outreach, reporting, and program performance. The county's current residential recycling grant agreement with Osseo expires at the end of this year. The amendment extends the contract for one year, through the end of 2021, with the allocation of funds in 2021 using the same formula as 2020.

A motion was made by Schulz, seconded by Hultstrom, to adopt Resolution No. 2020-54 authorizing submittal of annual grant applications for residential recycling and execution of grant agreement. A roll call vote was taken. The motion carried 5-0.

J. ADOPT RESOLUTION REDUCING DEBT LEVIES (Resolution)

Grams explained the Council adopted a resolution at the September 14 Council meeting that approved the 2021 budget and property tax levy. Typically, the debt levies resolution is part of the overall process but was not ready for the September 14 meeting. This proposed resolution outlines the changes of debt service levies for taxes payable in 2021, and the figures in this resolution came from Finance Consultant Gary Groen. This resolution needs to be provided to Hennepin County along with the 2021 budget and property tax levy resolution already adopted.

Johnson commented this City was amending the amount to be levied because the City was in a better position to pay off its debt.

A motion was made by Johnson, seconded by Stelmach, to adopt Resolution No. 2020-XX, reducing debt service tax levies for 2021. A roll call vote was taken. The motion carried 5-0.

K. APPROVE ACCOUNTS PAYABLE

Grams reviewed the Accounts Payable with the Council.

Johnson expressed concern about the Memorial Field issue. City Attorney Tietjen reported staff was working on this issue with the County.

A motion was made by Johnson, seconded by Stelmach, to approve the Accounts Payable as presented. A roll call vote was taken. The motion carried 5-0.

11. ADMINISTRATOR REPORT – None.

12. COUNCIL AND ATTORNEY REPORTS

Schulz reported he recently had a discussion with City Clerk Larson regarding absentee voting. He encouraged residents to request absentee ballots when they do not intend to vote in person.

Schulz stated it was disheartening for him to have to approve the purchase of riot gear for the Police Department, but he understood this equipment was necessary.

13. ANNOUNCEMENTS

Poppe encouraged residents to consider voting absentee now through November 2. Absentee voting will also be on Saturday, October 31, from 10 a.m. to 3 p.m. Election Day is Tuesday, November 3, 7 a.m. to 8 p.m.

Poppe reported the League of Women Voters and the Twin West Chamber of Commerce would be hosting a Candidate Forum on Thursday, October 15, at 6:30 p.m. He explained the event would be held at CCX and questions could be submitted prior to the event.

14. ADJOURNMENT

A motion was made by Schulz, seconded by Hultstrom, to adjourn the City Council meeting at 8:32 p.m. A roll call vote was taken. The motion carried 5-0.

Respectfully submitted,

Heidi Guenther
Minute Maker Secretarial