

**OSSEO CITY COUNCIL  
REGULAR MEETING MINUTES  
November 9, 2020**

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, November 9, 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: Community Management Coordinator Joe Amerman and City Attorney Mary Tietjen.

Others present: Lee Gustafson-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.

Schulz requested Item 10B be removed from the agenda.

**A motion was made by Schulz, seconded by Stelmach, to accept the Agenda as amended removing Item 10B. A roll call vote was taken. The motion carried 5-0.**

5. CONSENT AGENDA

- A. Approve October 26 Work Session Minutes
- B. Approve October 26 Council Minutes
- C. Approve Agreement with Hennepin County for Assessment Services
- D. Set Canvass Election Special Meeting for November 13 at 12:00 Noon
- E. Receive October 27 Public Safety Advisory Committee Minutes

Johnson stated he would like further information regarding Item 5C. Amerman discussed the agreement the City would have with Hennepin County for assessment services. He reported the City employs the County for these services because Osseo does not have enough staff to provide this service. He noted the proposed agreement would provide services from 2021 to 2024. He explained the cost for providing these services per year was \$31,000 plus any miscellaneous costs.

Johnson asked if the red line changes in the agreement had been proposed by Hennepin County staff. City Attorney Mary Tietjen explained these changes were being proposed by both the City and the County because the contract was outdated.

**A motion was made by Johnson, seconded by Hultstrom, to approve the Consent Agenda.**

Schulz clarified that this document was available for the public to view within the meeting packet.

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

6. MATTERS FROM THE FLOOR – None.

7. SPECIAL BUSINESS

A. ACCEPT DONATIONS (Resolution)

Community Management Coordinator Joe Amerman stated the City has received the following donation:

Donor	Amount/Item	Designated Fund
Harold & Gayle Johnson <i>(in memory of Lucille Felling, Barbara Gaulke, Nancy Hackler, Donald Regan, Bernadine Simons &amp; Hartley Story)</i>	\$600	Beautification

Staff recommended the Council accept the donation.

**A motion was made by Hultstrom, seconded by Schulz, to adopt Resolution No. 2020-63 accepting a donation from Harold E. & Gayle Johnson. A roll call vote was taken. The motion carried 5-0.**

8. PUBLIC HEARINGS

A. MS4 Public Hearing – Lee Gustafson, WSB & Associates

Lee Gustafson, WSB & Associates, stated the Minnesota Pollution Control Agency (MPCA) has designated the City of Osseo as a Municipal Separate Storm Sewer System (MS4) community. Each MS4 community is required to develop a Stormwater Pollution Prevention Plan (SWPPP) to address the six program areas of the MS4 permit. To meet the Public Participation requirement of the MS4 permit, the City is required to hold at least one opportunity annually for the public to provide input on the City's SWPPP. He provided further comment on the City's accomplishments related to stormwater management and asked for comments or questions.

Schulz asked if 1<sup>st</sup> Avenue NW flowed to the south. Mr. Gustafson reported this was the case.

The Public Hearing was opened at 7:23 p.m.

Hearing no comments from the public, the Public Hearing was closed at 7:23 p.m.

9. OLD BUSINESS – None.

10. NEW BUSINESS

A. CONFIRM EDA ACTIONS OF NOVEMBER 9, 2020

Amerman discussed the actions of the EDA. He noted the EDA approved accounts payable, discussed the 2021 EDA Budget, and discussed the 2020 Small Business Saturday events.

**A motion was made by Stelmach, seconded by Johnson, to confirm the EDA actions of November 9, 2020. A roll call vote was taken. The motion carried 5-0.**

B. APPROVE WATER METER PROJECT BIDS (Resolution)

(This item was removed from the agenda.)

C. REVIEW SECOND HALF 2020 LIQUOR LICENSE FEES

Amerman commented on sale liquor license fees for the July 1, 2020-June 30, 2021, license period fees were reviewed along with the amount actually paid to the City in May/June 2020. Council action then approved a temporary reduction in license fees. Staff reported this action was due to pandemic concerns and the restrictions for on sale liquor license businesses.

Hultstrom stated she spoke with Mark Lynde regarding the liquor license fees. She read a response she received from Mr. Lynde noting he was very grateful for the reduction on the liquor license fees given how slow things have been at the restaurant. She commented the longer COVID hangs around the harder it would be on local bars and restaurants. She explained Mr. Lynde requested the City keep the fees reduced for the second half of 2020. She indicated she supported the fees being reduced through June of 2021.

Johnson supported the City reducing the fees through June of 2021, as well.

Schulz questioned if the lost revenue from reducing the liquor license fees could be back paid to the City through CARES Act dollars. Amerman stated he was uncertain if the City could take this action.

Schulz commented if the City were to reduce the license fees, the burden would then have to be paid by the rest of the taxpayers in Osseo. He asked if a compromise could be reached with the fees being reduced by 50%.

Stelmach stated the City was not sure what the Governor would do tomorrow. He explained he did not want to apply any undue stress to local business owners, but he did believe some portion of the fees should be paid given the fact the businesses have been open and selling alcohol.

Hultstrom commented she would like to keep the liquor license fees reduced even if this means a challenge within the City's budget. She indicated she did not want to see local businesses failing.

Poppe asked if this matter should be revisited in March 2021. City Attorney Tietjen reported she would like to speak with the City Clerk regarding this option.

Hultstrom stated she could support this recommendation.

Schulz recommended the Council keep in perspective the amount of money that would be collected. He explained if the Council was willing to go up to the 50% for the fees.

Johnson supported the Council waiting to reevaluate the liquor license fees in March 2021.

Hultstrom commented if bars and restaurants were closing some nights due to lack of customers, these businesses were having lower sales because of COVID. She stated it would be difficult for her to impose more fees knowing these types of establishments were already struggling. She supported the Council reassessing the situation in March 2021.

**A motion was made by Johnson, seconded by Hultstrom, to direct staff to postpone collection of liquor license fees until March 2021 subject to the City Attorney speaking with the City Clerk.**

Stelmach stated he would be voting to support this motion.

Schulz commented the real challenge was the current structure would not allow the CARES Act funds to cover the City's revenue losses with respect to liquor license fees. He explained the taxpayers were going to be the losers in the end. He indicated he would be voting to support this motion, but encouraged the Council to consider the financial impact of this decision come March.

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

**D. APPROVE PURCHASE OF WORKSTATION FOR CITY ACCOUNTANT**

Amerman stated the current workstation used by the City Accountant position is aging and showing signs of continued failure. Often the computer crashes, causing workflow disruptions and lost work. The workstation is a critical piece of equipment since it houses and maintains many critical software applications relating to City business. The City's IT Consultant, Element Technologies, provided the attached quote for a new workstation and setup. The quote includes a Dell OptiPlex 7080 Tower workstation and a projected four hours for setup and install (install time is only an estimate, actual install time will be billed). The total cost of the purchase is \$2,002.92. The workstation is expected to be set up and ready for the new City Accountant hire.

Schulz recommended this item be postponed to the next Council meeting to allow for questions to be answered by the City Administrator. The Council agreed.

**A motion was made by Schulz, seconded by Hultstrom, to table action on this item to the November 23, 2020, City Council meeting. A roll call vote was taken. The motion carried 5-0.**

E. APPROVE AGREEMENT WITH CITY ACCOUNTANT APRIL WELLER

Amerman explained City Account April Weller left full time employment with the City of Osseo on November 2. In talking with Ms. Weller, she offered her part-time services to the City during the transition period until the City can hire a replacement. This would include payroll services for the City for a period, plus any important finance related items that need to be completed during the transition period. An agreement spells out the terms of the services to be provided. The City shall provide adequate notice for when Ms. Weller's services are needed. The City shall pay Ms. Weller \$50/hour (no other City benefits will be provided, and all applicable payroll taxes shall apply). The agreement shall end upon mutual agreement between the two parties.

Johnson asked if Ms. Weller would be working part-time remotely or at City Hall. Amerman explained Ms. Weller would be working remotely.

**A motion was made by Johnson, seconded by Stelmach, to approve the agreement with April Weller for part-time finance services.**

Schulz thanked Ms. Weller for being willing to work part-time for the City.

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

F. APPROVE ABDO, EICK & MEYERS AGREEMENT FOR YEAR-END PAYROLL SERVICES

Amerman explained while the City transitions to a new City Accountant, the Council should consider bringing in Abdo, Eick & Meyers (AEM) for specific year-end payroll services to ensure that all laws and statutes are met for the 2020 fiscal year. The earliest the City would be able to interview for the City Accountant position, select a candidate, negotiate the terms of the position, and have the Council approve the hire (plus any lag time for notice to the candidate's current employer) and have the new candidate start would be late-December. By that time, the City will need to complete all the year-end payroll duties. AEM is a reputable company that specializes in governmental accounting and finance services. The attached agreement would provide the City with these important year-end payroll services. The actual cost of the services would be billed as incurred at the hourly rates provided in the attached agreement. In speaking with representatives from AEM, they understand that most of the services would be incurred at the lower level, with only minor oversight provided at the higher levels to ensure accuracy.

Schulz noted the high hourly wage that would be paid for the consultant accounting services and commented on the value of having a City Accountant on staff.

Johnson recommended the 90 day notice clause be removed or changed within the agreement.

**A motion was made by Johnson, seconded by Stelmach, to approve the agreement with Abdo, Eick & Meyers for year-end payroll services. A roll call vote was taken. The motion carried 5-0.**

G. DISCUSS WORKING WITH CARDX INTELLIGENT RATE PROCESSING SYSTEM

Amerman explained staff has sought a way to streamline the process of accepting and recording credit and debit card payments to the City. This includes the use of cards for permit payments, utility payments, and other payments that the City accepts on a regular basis. The current method has been effective but necessitates several steps that can now be managed more efficiently by other services. They create additional work for the City Accountant and require the City to absorb considerable card fees. These card fees must then be passed on to residents.

Amerman reported a service to be considered is CardX, which was brought to staff's attention by Councilmembers Schulz and Stelmach. CardX is a credit and debit card payment processing system with the capacity to integrate with both the city's current card payment processing system, and with Tyler Systems, the city's future financial payment system. Representatives of CardX have done some preliminary review to identify how the City would best benefit from their services. Going forward, staff and CardX would have to discuss the particulars of any service agreement between the two.

Schulz stated the City is currently taking on a 3.75% fee for every transaction. He explained the Budget and Finance Committee allotted \$5,000 for these fees. He explained the new system would provide intelligent software with lower processing rates. He reported the pay page could be Osseo branded. He commented on the current process that was being followed by staff stating it was quite cumbersome. He noted CardX was compatible with Banyan. He stated after completing the research CardX was the best option for the City.

Stelmach explained the new system would reduce the amount the City would be paying in fees, which was good. He estimated the new program would save the City two hours per week in staff time. In addition, he appreciated the fact that CardX could process payments contactless at City Hall.

Johnson asked if CardX could accept any card.

Schulz stated he believed any major credit card could be accepted.

Johnson inquired if the City or the customer would be paying the credit card fees.

Schulz reported the customer would now be paying the credit card fees.

Council consensus was to direct staff to work with CardX to determine what an appropriate contract would include prior to the end of the year.

H. APPROVE ACCOUNTS PAYABLE

Amerman reviewed the Accounts Payable with the Council.

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

11. ADMINISTRATOR REPORT

Amerman stated City Administrator Grams wanted to thank all the candidates who were involved in the recent forums and election.

12. COUNCIL AND ATTORNEY REPORTS

City Attorney Tietjen commented on the process that would be followed for the renewal of the financial services agreement. She explained she would report back to the City Council after speaking to the City Clerk regarding the liquor license fees.

Hultstrom congratulated the Grams family on their new addition, Walter.

Hultstrom thanked City Clerk LeAnn Larson and the entire election team for making this year's election successful.

Hultstrom congratulated Mayor Poppe and Councilmember Johnson on their reelection. She welcomed Council-elect Alicia Vickerman to the Council.

Johnson thanked the Public Works Department and all the volunteers who helped with hanging lights along main street this past Saturday.

Stelmach thanked all the volunteers who helped hang lights again this year.

Stelmach congratulated everyone who ran for office. He explained he admired the residents that had the courage to step forward and put their name on the ballot.

Poppe thanked all the volunteers who helped this past weekend to hang lights along main street. He welcomed Thistles and Threads to Osseo and encouraged residents to get out and visit this new establishment.

13. ANNOUNCEMENTS

Poppe stated City Hall would be closed on Wednesday, November 11, in observance of Veterans Day.

14. ADJOURNMENT

**A motion was made by Hultstrom, seconded by Stelmach, to adjourn the City Council meeting at 8:27 p.m. A roll call vote was taken. The motion carried 5-0.**

Respectfully submitted,

Heidi Guenther  
*Minute Maker Secretarial*