

**OSSEO CITY COUNCIL  
REGULAR MEETING MINUTES  
January 10, 2022**

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, January 10, 2022. Due to the COVID-19 pandemic this meeting was held virtually.

2. ROLL CALL

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

Staff present: City Administrator Riley Grams, Community Management Coordinator Joe Amerman, City Attorney Mary Tietjen, Former Duluth City Councilmember Joel Sipress, and City Resident Dave Garibaldi.

Others present.

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 Hultstrom, to accept the Agenda as presented. A roll call vote was taken. The motion carried 5-0.**

5. CONSENT AGENDA

- A. Receive EDA Minutes of December 13, 2021
- B. Approve Council Minutes of December 13, 2021
- C. Receive Planning Commission Minutes of December 20, 2021
- D. Approve Ehlers Disclosure Rate Schedule for 2022
- E. Accept IRS Mileage Rate of 58.5 Cents for Business Miles Driven
- F. Receive November Lions Club Gambling Report
- G. Receive November Hockey Association Gambling Report
- H. Receive December Building Report
- I. Receive December American Legion Gambling Report
- J. Approve Osseo/Maple Grove American Legion Riders Gateway Sign Fee Waiver
- K. Consider Statutory Tort Limits for City's Liability Coverage in 2022
- L. Approve Hire of Part-Time Officer Daniel Misgen

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

Hultstrom stated on Item 5C it should be noted she was in attendance at the Planning Commission meeting. Grams reported he would make a change to this set of meeting minutes.

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

6. MATTERS FROM THE FLOOR – None

7. SPECIAL BUSINESS

A. SUPPORT A RESPECTFUL WORKPLACE

Poppe read the respectful workplace Resolution in full for the record and recommended approval.

**A motion was made by Hultstrom, seconded by Johnson, to adopt Resolution No. 2022-1, Supporting a Respectful Workplace. A roll call vote was taken. The motion carried 5-0.**

B. ACCEPT DONATIONS

Grams stated the City has received the following donations:

Donor	Amount/Item	Designated Fund
Harold E. Johnson	\$750	Beautification
Gerald and Georgie Kiffmeyer	\$50	Fire

Staff recommended the Council accept the donations.

**A motion was made by Stelmach, seconded by Vickerman, to adopt Resolution No. 2022-2, accepting a donation from Harold E. Johnson and Gerald and Georgie Kiffmeyer. A roll call vote was taken. The motion carried 5-0.**

8. PUBLIC HEARINGS – None

9. OLD BUSINESS

A. APPROVE AGREEMENT WITH ELEMENT TECHNOLOGIES FOR CITY IT SERVICES (Resolution)

Grams stated the City first partnered with Element Technologies beginning in October of 2017. Since then, Element has provided technology support and IT services to the City under the same contract. It was noted staff was approached by Scott Sonderby, Operations Manager for Element, earlier this year asking for the City to enter into an updated agreement for these same services. The old contract format was no longer supported by Element, and they began to move all their clients over to their new contracts in 2021. Other than increased service costs, the base contract with Element has remained the same without any changes in pricing.

Grams commented after discussions with the Council Risk Management Committee (Councilmembers Stelmach and Johnson), we have decided that the Essential Care contract would best serve our needs now and moving forward. The Essential Care contract is an unlimited remote support model. Staff calls or emails the support center and a ticket is created and processed remotely. If onsite visits are needed, they will be billed at \$150/hr. Almost all our IT related issues can be handled remotely. This contract includes monitoring and updating all desktop and laptop devices, managing our local area network, managing both the physical and virtual servers, Mimecast security software, LogMeIn software, and Crowdstrike software, as well as Microsoft Office licensing.

Grams explained the monthly cost of the new contract is \$3,531. This is an increase of \$601 per month. The contract is automatically re-upped each year with a 3% cost increase per year. This amount has been budgeted for in the 2022 draft budget. The Council Risk Management Committee has participated in meetings with Element to discuss these proposed changes, and has recommended approval of the contract to the Council. The Council considered the first draft of the agreement back on December 13, 2021. At that meeting, the Council opted to table action on this item to allow for some additional time to re-negotiate a few aspects of the agreement. Staff and the Risk Management Committee, along with City Attorney Mary Tietjen, re-negotiated several sections of the agreement.

Grams indicated Section 5 was updated to reflect a 12-month period to not knowingly hire the services of a past employee from Element, which was originally 18 months. Section 10(b) was updated to state that Element would be responsible for any damages the City incurred as a result of Element's negligence while working for the City. And Section 21 was updated to require Element to maintain insurance that meets State requirements. Element has agreed to these updates and agrees to enter into this contract.

**A motion was made by Johnson, seconded by Stelmach, to adopt Resolution No. 2022-3, approving updated IT services contact with Element Technologies.**

Stelmach discussed the 12-month clause noting the 18-month was quite long. He commended staff for their efforts to negotiate this down.

Vickerman thanked staff and the Risk Management Committee for looking into the concerns that were raised back in December.

Hultstrom concurred.

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

10. NEW BUSINESS

A. CONFIRM EDA ACTIONS OF JANUARY 10, 2022

Grams discussed the actions of the EDA. He noted the EDA approved accounts payable, elected EDA officers, discussed goals for 2022 and approved the Ehlers 2022 written municipal advisory client disclosure.

**A motion was made by Stelmach, seconded by Johnson, to Confirm the EDA Actions of January 10, 2022. A roll call vote was taken. The motion carried 5-0.**

**B. APPROVE FIRST READING AND ADOPTION OF ORDINANCE AMENDMENT TO REZONE TO HIGHWAY COMMERCIAL NORTH**

Amerman stated the multi-tenant commercial building located 257 5th Avenue SE (PID 1811921310098) is located on what are Lots 8 and 9 of Block 4, Sipe's Addition. This building has stood since at least 1986, the earliest date the City has official verification of. Despite their common commercial purpose, Lots 8 and 9 were given different zoning classification at the adoption of the current zoning code in 1994. Lot 8 was designated R-1 Residential, and Lot 9 was designated Highway Commercial. This effectively split the building in half, though this difference in zoning was never enforced nor has it appeared to have much consequence. City records are unclear, but it appears that at some point shortly after the adoption of the zoning code, the lots were combined into a single parcel; however, the underlying zoning differences were never resolved. As a result, the City now has a single parcel, underneath a single commercial building, split down the middle by two different zoning districts. Recognizing that the parcel is, and has been for decades, Commercial, the City is now looking to bring the zoning classification of Lot 8 in line with its actual use. It was noted the City Attorney has recommended that the City pursue this course of action.

Stelmach explained he supported the proposed rezoning.

Vickerman commented she supported the rezoning as well.

**A motion was made by Johnson, seconded by Hultstrom, to Approve the First Reading and Final Adoption of Ordinance No. 2022-01, and waive the Second Reading. A roll call vote was taken. The motion carried 5-0.**

**C. APPROVE CONDITIONAL USE PERMIT APPLICATION FOR 431 3<sup>RD</sup> STREET SE**

Amerman stated Amy Haarstad is a board-certified veterinarian specializing in the diagnosis and treatment of allergy, skin, and ear conditions in animals. After years in general veterinary practice, Dr. Haarstad opened a veterinary dermatology practice in the fall of 2017. The practice is now growing and seeking expanded space and has identified a suite of the building located at 257 5th Ave SE as an ideal location. This property is owned by Wiley Enterprises, which also houses A to G Music, American Family Insurance, and others. To the west of the property is American Legion Post 172, to the south is Sipe Brothers-Marathon, and to the north and east are residential neighborhoods. The city has previously granted two other Conditional Use Permits for veterinary practices, both located along Central Avenue in the Central Business District (CBD). Veterinary practices are also considered conditional uses in the CBD. Staff commented further on the request and noted the Planning Commission recommended approval with conditions.

Stelmach stated he had an opportunity to speak with Dr. Amy Haarstad earlier today. He loved that Dr. Haarstad had chosen Osseo for her business. He indicated he would be supporting the proposed request.

Dr. Amy Haarstad, the applicant, thanked the Council for their time and consideration. She explained her business has been growing over the past four years. She noted she was a traveling dermatologist at this time and indicated she was looking forward to having a space for her business. She reported she grew up in the area and was looking forward to moving her business into the Osseo community.

**A motion was made by Hultstrom, seconded by Johnson, to adopt Resolution No. 2022-4, approving the Conditional Use Permit request for the property at 431 3<sup>rd</sup> Street SE with conditions of approval. A roll call vote was taken. The motion carried 5-0.**

**D. APPROVE SUPPORTING THE MINNESOTA HEALTH PLAN AND FEDERAL MEDICARE FOR ALL ACT**

Hultstrom explained she and Councilmember Johnson asked to have this item on the agenda for Council consideration. She reported the proposed Resolution would show Council support for the Minnesota Health Plan and Federal Medicare for All Act. She indicated the current healthcare system was broken and needed to be addressed. She believed healthcare was a right that should be for all people, justly and equally. She discussed her recent venture through the healthcare system. She explained former Duluth City Councilmember Joel Sipress had a presentation to the Council and was available to answer any questions the Council may have. She indicated the Council may choose to motion to pass the Resolution which supports the Minnesota Health Plan and Federal Medicare for All Act.

Johnson provided the Council with background information on his healthcare, noting he was covered by Medicare while also having separate coverage through Humana and for prescription drugs. He reported his medical, dental and prescription drug costs for the previous year totaled \$9,138. He indicated he could afford to make these payments but anticipated most seniors could not. He commented further on items that were covered and not covered by Medicare.

Dave Garibaldi, 12 6<sup>th</sup> Street NE, stated local governments cannot afford to keep raising property taxes to support wasteful, inefficient and poorly performing programs. He noted Osseo was stuck with funding just such a program when it purchases commercial health insurance for City employees. He reported as a retired public employee he knows how important it was to provide good health insurance for all workers. However, health care financing system in Minnesota and the United States was an abysmal failure. He stated the program was hemorrhaging cash into the pockets of profiteers. He indicated this system costs too much, provides too little and leaves too many out. He urged the City Council to vote in favor of a Resolution that supports the Minnesota Health Plan and Medicare for all. He discussed what the City spent on healthcare in the previous year and commented on how the proposed health care changes would benefit Osseo. He explained the City would benefit from not having to shop for dental and health insurance each year. He stated the United States was still the only developed nation without universal healthcare. He explained this was a huge disadvantage during the pandemic. He noted two-thirds of all healthcare spending was already being funded by the government and stated Minnesota has 250,000 uninsured residents. According to a survey from November 2020, more than half of Minnesota residents experienced a healthcare affordability burden in the last year and there was strong support for

government led healthcare solutions. He reported 45% of Minnesota residents delay or forego healthcare due to costs. He discussed how drug companies spend more money on marketing than on research and development, but need their exorbitant profits to fund innovation. He explained the current healthcare system was a mess but the good news was it didn't have to be this way. He discussed how healthcare policy experts have been working to find a way to provide everyone with high quality, comprehensive, affordable care. He commented further on the best options for moving forward which included Medicare for All and the Minnesota Health Plan and described how these programs would be funded. He thanked the Council for considering approving a Resolution of Support for Minnesota Health Plan and the Federal Medicare for All Act.

Joel Sipress introduced himself to the Council and noted he just finished his second term on the Duluth City Council. He reported he chose not to run for reelection last year. He commented in December he was the co-sponsor of a Resolution similar to the one being considered by the Council this evening. He thanked Councilmember Hultstrom and Councilmember Johnson for sharing their personal health journeys with the public. He discussed his personal story with the healthcare system noting his son was diagnosed with Type I Diabetes that requires constant medical attention. He reported this led him to have an intimate relationship with the healthcare system. He discussed how double digit increases to healthcare were impacting municipalities each and every year. He estimated the State of Minnesota would be spending 19% on healthcare within 10 years. He reported this was not sustainable for the State or local governments. He encouraged the Council to look out for the best interest of the residents by offering their support to the Resolution of Support for the Minnesota Health Plan and Federal Medicare for All Act.

Johnson reported the City's workers' comp expenses would also go down if a universal healthcare plan were adopted because these expenses types of expenditures would now be covered by the State. Mr. Garibaldi reported this was the case.

Further discussion ensued regarding the benefits of a universal healthcare plan versus the current healthcare system.

Hultstrom commented during COVID the country learned how difficult it was for people to lose their healthcare in the middle of a pandemic. She discussed how difficult the market was right now for employees and noted small business owners were not able to compete if they could not offer great healthcare plans.

Johnson thanked Mr. Sipress and Mr. Garibaldi for all of their work on this initiative.

Stelmach stated he understood the healthcare system needed a ton of work, but noted he had not looked through enough of the information and hyperlinks in order to offer his support this evening. He explained he would have to research both sides of this issue before he would be able to vote on this item. He was of the opinion government may not be the solution, but could be part of a solution.

Vickerman indicated she has done her best to get through everything. She stated she understood Councilmember Stelmach's point and from where she was at she could support the proposed Resolution because it was acknowledging the brokenness of the current healthcare system.

**A motion was made by Hultstrom, seconded by Johnson, to adopt Resolution No. 2022-5, Supporting the Minnesota Health Plan and Federal Medicare for All Act. A roll call vote was taken. The motion carried 3-2 (Stelmach and Mayor Poppe opposed).**

E. APPROVE 2022 OFFICIAL COUNCIL APPOINTMENTS

Grams stated each year the City Council should discuss the various appointments to Council committees and other boards. It was noted staff recently sent an email to the full Council asking for Council preferences to the committees and boards, and included a short description for each. Councilmembers were encouraged to respond by email with their preferences. The City Council should consider appointments, discuss them, and motion to appoint Council members to the various boards, committees and other appointments via the Resolution. The Council appointments for 2021 were as follows:

Council Appointments

Acting Mayor	Larry Stelmach
Alternate Acting Mayor	Juliana Hultstrom
Economic Development Authority	Harold E. Johnson, Duane Poppe, Larry Stelmach & Alicia Vickerman
Fire Relief Association	Duane Poppe
Historical Preservation Commission	Harold E. Johnson
Shingle Creek & West Mississippi Watershed Management Commissions	Harold E. Johnson
Weed Inspector	Duane Poppe

Council Committee Appointments

Arts & Communications Committee	Juliana Hultstrom & Alicia Vickerman
Budget & Finance Committee	Harold E. Johnson & Duane Poppe
Human Resources Committee	Duane Poppe & Larry Stelmach
Intergovernmental Relations Comm.	Juliana Hultstrom & Alicia Vickerman
Parks & Recreation Committee	Larry Stelmach & Alicia Vickerman
Public Safety Advisory Committee	Juliana Hultstrom & Larry Stelmach
Risk Management Committee	Harold E. Johnson & Larry Stelmach

Stelmach stated he was interested in serving as the Acting Mayor again in 2022, along with serving on the EDA. He suggested Councilmember Hultstrom be appointed to serve on the HR Committee. He indicated he would be willing to continue serve on the Risk Management Committee, as well as the Parks and Recreation and PSAC Committees.

Hultstrom thanked Councilmember Stelmach for supporting her serving on the HR Committee. She indicated she has done a lot of work to learn in this area. She asked that she be allowed to remain on the PSAC Committee. She noted she would be willing to serve on the Risk Management Committee, along with the Intergovernmental and Arts Committees.

Vickerman stated she supported these recommendations. She indicated she would be willing to continue serving on the Parks and Recreation Committee, along with the Arts & Communications Committee. She noted she was interested in serving on the PSAC

Committee, but understood the spots may be filled at this time. She indicated she also serves on the Metro Blue Line Committee, which goes along with the Intergovernmental Committee.

Johnson explained he would like to withdraw from the Risk Management Committee for health reasons. He noted he would remain on the Budget and Finance Committee. He noted he could remain on the EDA and Watershed District because the meetings were being conducted virtually.

Poppe stated he would like to see Stelmach remain on the HR Committee and indicated he would step down from this committee. He explained he would be interested in serving on the Budget and Finance Committee along with the Risk Management Committee.

Stelmach commented he would be interested in serving with the Mayor on the Risk Management Committee and asked if Councilmember Vickerman would be interested in serving on the HR Committee.

Vickerman stated she would be willing to serve on the HR Committee. She reported she would like to remain on the EDA.

Johnson asked if the Historical Preservation Committee would be continuing. Grams explained he reached out to the current members and understood they did not want to meet during the pandemic. He reported this group was sort of in limbo and staff would be reaching out to them to reengage in 2022.

Johnson commented he would be willing to continue serving with the Historical Preservation Committee.

Further discussion ensued regarding the Risk Management Committee appointments.

Hultstrom indicated she was interested in serving on the Risk Management Committee.

Stelmach commented he liked to play to individuals strengths and reported he and the Mayor have institutional knowledge in this area. Grams stated at this time there were three people interested in serving on the Risk Management Committee. City Attorney Tietjen reported one option would be for someone to make a motion identifying who they would like to see on the Risk Management Committee.

**A motion was made by Stelmach, seconded by Poppe, to adopt Resolution No. 2022-6, appointing City Councilmembers to the various committee positions as discussed with Councilmember Stelmach and Mayor Poppe serving on the Risk Management Committee.**

Johnson indicated he served on the Risk Management Committee last year with Stelmach and noted it was difficult finding time to meet. He anticipated that Councilmember Hultstrom would be more available for these committee meetings.



Stelmach stated he was able to make the meetings and reiterated that his day job was managing risk and contacts. He explained he was trying to play to his strengths and add value to this committee.

Vickerman asked what the concern was when Councilmember Stelmach agreed to shift away from HR and into Risk Management. She questioned if the City needed crossover on those two committees. Grams indicated the City does not need crossover on these two committees.

Stelmach indicated he did serve on these two committees last year, but noted this was not necessary.

Vickerman stated some concessions have been made, so in fairness she would like to move forward with the motion as stated.

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

**F. APPROVE 2022 CITIZEN APPOINTMENTS**

Grams stated citizen appointments are made each year to various commissions and committees. Announcements have been made at prior Council meetings and included in Council packets. The Press and social media have been used to reach interested volunteers, also. It was noted staff had Letters of Interest for these appointments and a Resolution that indicates where appointments are needed. He thanked all of the volunteers for their interest in serving the City of Osseo. Letters of Interest were received from:

Kara Wolf for Parks & Recreation Commission  
Dori Trossen for Parks & Recreation Commission  
Chris Carrigan for Planning Commission  
Ashlee Mueller for Planning Commission  
Gan Ram for Planning Commission  
Tom Hartkopf for Public Safety Advisory Committee  
Nate Berg for Public Safety Advisory Committee

Grams reported two appointments have to be made to each Commission/Committee.

Stelmach suggested the Planning Commission appointments be the two volunteers that live in the City. He indicated this would mean Chris Carrigan and Ashlee Mueller would be appointed to the Planning Commission.

Johnson reported Gan Ram was a very qualified individual and should be kept on file. He indicated Gan Ram could serve on the Planning Commission as a non-voting member. Grams reported City Code requires 75% of the Planning Commission members to be residents of the City.

Stelmach recommended the Council not proceed with appointing non-voting members at this time. He reported he would like to see the Osseo residents appointed first to the City's Commissions and Committees.

Vickerman concurred.

**A motion was made by Stelmach, seconded by Vickerman, to adopt Resolution No. 2022-7, appointing citizens to the various commissions and committees as discussed. A roll call vote was taken. The motion carried 5-0.**

G. APPROVE 2022 CITY APPOINTMENTS AND DESIGNATIONS

Grams stated each year the City Council approves a Resolution that lists the City's appointments and designations. This includes consultant and other appointments, various designations, electronic funds transfers and all other financial designations. The 2022 City appointments and designations are recommended as follows:

Consultant Appointments

Assessor – Hennepin County  
Attorneys – Mary D. Tietjen (Kennedy & Graven) for Civil Services and Paul Baertschi (Tallen & Baertschi) for Prosecution Services  
Auditor – BerganKDV  
Bond Counsel – Briggs & Morgan  
Building Official – Metro West Inspection Services  
Depositories – Premier Bank Osseo, Edward Jones, Institutional CD's Inc./ICD Securities, Inc., and Multi-Bank Securities, Inc.(MBS)  
Electrical Inspector – Sloth Inspections, Inc.  
Engineer – WSB  
Financial Advisor – Ehlers  
Financial Management Consultant – Gary Groen  
Insurance Provider – City Country Agency/League of Minnesota Cities Insurance  
Trust IT Services – Element Technologies  
Secretarial Services - Minute Maker Secretarial, Inc.  
Personnel Benefit Advisor – National Benefit Consultants  
Rental Inspector – Vacant

Other Appointments

Assistant Weed Inspector – Mike Smith  
Data Practices Compliance Officer – Katrina Jones  
Data Practices Responsible Authority – Riley Grams  
Fire Relief Association – Riley Grams  
Northwest Community Television Board of Directors – Riley Grams  
Northwest Suburbs Cable Communications Commission – Riley Grams  
Northwest Suburbs Cable Coordinators Committee – Karen Broden  
Sewer Inspector – Nick Waldbillig  
Zoning Administrator – Joe Amerman

Other Designations

Official Newspaper -- The Press

Electronic Funds Transfers delegated to City Accountant

Payroll Deductions and Benefits:  
Premier Bank - direct deposit of wages

Federal, State, and Social Security/Medicare withholding Public Employees Retirement Association  
Minnesota State Retirement System deferred compensation & health care savings plan  
Public Employee Insurance Providers  
Aflac – supplemental disability provider  
SunLife Financial – long term and short term disability provider  
Further – health savings account  
ICMA – RC – deferred compensation

Other:

Premier Bank Cardmember Services – credit cards and checking account  
Minnesota Department of Revenue – sales tax  
CardX – credit card merchant services  
Tradewind Properties – property management  
Pitney Bowes - postage

**A motion was made by Stelmach, seconded by Johnson, to adopt Resolution No. 2022-8, approving 2022 City appointments and designations. A roll call vote was taken. The motion carried 5-0.**

H. SUMMARY OF CLOSED SESSION ON DECEMBER 13, 2021

Stelmach reported the City Council conducted a closed session meeting to review the performance of the City Administrator during the last Council meeting on December 13, 2021. Under the Minnesota Open Meeting Law, after a public body meets in a closed session to evaluate the performance of an employee, the body is required to summarize the conclusions at its next open meeting. Therefore, the Council Human Resources Committee shall provide a short summary of the closed session meeting from December 13.

I. APPROVE ACCOUNTS PAYABLE

Grams reviewed the Accounts Payable with the Council.

**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

Vickerman explained she appreciated the fact the City was meeting remotely. She understood the school district would be moving to remote learning for several weeks due to the number of staff members that were out sick.

Vickerman commented the Blue Line meeting was being pushed back for the month of January to allow for extra data collection.

Hultstrom welcomed part-time Officer Daniel Misgen to the Police Department.

Hultstrom thanked all of the new and returning Committee and Commission members.

Johnson discussed his health conditions noting he has given up driving and was meeting with various doctors once a week in order to get to the bottom of his health concerns.

Stelmach welcomed Officer Misgen to the Police Department and thanked Dr. Amy Haarstad for bringing her business to the City.

Stelmach wished everyone a healthy and prosperous 2022.

13. ANNOUNCEMENTS

Poppe stated City Hall would be closed on Monday, January 17 for Martin Luther King, Jr. Day.

Poppe encouraged residents that were interested in volunteering to contact City Hall for more information regarding the open commission seats.

14. ADJOURNMENT

**A motion was made by Hultstrom, seconded by Vickerman, to adjourn the City Council meeting at 9:01 p.m. A roll call vote was taken. The motion carried 5-0.**

Respectfully submitted,

Heidi Guenther  
*Minute Maker Secretarial*