

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
November 27, 2023**

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 27, 2023.

2. ROLL CALL

Members present: Councilmembers Juliana Hultstrom, Ashlee Mueller, Mark Schulz, Alicia Vickerman and Mayor Duane Poppe.

Staff present: City Administrator Riley Grams, Police Chief Shane Mikkelson, Jessica Cook, Ehlers & Associates; and City Attorney Mary Tietjen.

Others present: John Hall, City Resident; Preston Kroska, City Resident; Peter Stanton, City Resident; Kenny Nelson, City Resident; Marcus Leab, City Resident; Frank Ruzicka, City Resident; Margaret Dubar, City Resident; Becky Weidenbach, City Resident; Pat Dowdell, City Resident.

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 Hultstrom, seconded by Vickerman, to accept the Agenda as presented. The motion carried 5-0.

5. CONSENT AGENDA

- A. Approve November 13 Council Minutes
- ~~B. Approve Gateway Fee Waiver for Yellow Tree Theatre~~
- C. Accept October Lions Club Gambling Report
- D. Accept October Osseo Maple Grove Hockey Association Gambling Report
- E. Accept October Fire Department Activity Report

Mueller requested Item 5B be pulled for further discussion.

A motion was made by Mueller, seconded by Vickerman, to approve the Consent Agenda as amended removing Item 5B for further discussion. The motion carried 5-0.

- B. Approve Gateway Fee Waiver for Yellow Tree Theatre

Mueller stated the Yellow Tree Theatre is looking to have three slides on the gateway sign which would be a \$300 fee waiver. She explained she understood how great the Yellow Tree Theatre was for the community but stated she supported the fee being reduced instead of fully waived.

Vickerman questioned if there was past precedent with the Yellow Tree Theatre when it comes to fee waivers on the gateway sign. She indicated she supported the Council remaining consistent with past requests.

Schulz recalled the City has approved several fee waivers for the Yellow Tree Theatre in the past. He explained staff had a meeting with the Yellow Tree Theatre to make them aware they could ask. He noted the City has approved all fee waiver requests for the Yellow Tree Theatre in the past.

A motion was made by Mueller, seconded by Vickerman, to recommend the Gateway Fee Waiver for Yellow Tree Theatre be approved at half the cost.

Hultstrom asked if Yellow Tree had already fully paid for usage of the gateway sign. Grams reported this was the case, noting Yellow Tree had paid for the gateway sign advertising and was not requesting to be reimbursed.

Schulz indicated he did not have a problem with the motion as stated. However, he recommended the Council consider how to equitably apply fee waivers going forward.

The motion carried 3-2 (Hultstrom and Schulz opposed).

6. MATTERS FROM THE FLOOR

John Hall, 808 3rd Street NE, thanked the Osseo Police Department for attending two memorial services for retired Police Chief Mike Haller and retired Police Officer Randy Williams. He stated it was sad to lose these former police officers, noting both were great law enforcement officers for the community. He understood the City Council was considering a new City Hall and Police Department building. He commented on how other communities were imposing a 1% or .5% sales tax in order to fund these projects. He discussed the process the City would have to go through in order to get this sales tax in place. He suggested the Council further explore this option for the City. He discussed how his taxes would be going up almost \$1,000 in the coming year. He commented on how the proposed street improvements and levy increase would adversely impact residents in the community. He feared the City Council would tax people out of this town. He urged the Council to consider a reclamation project versus a reconstruction project for the street improvement project. He anticipated a number of residents within the project area would be contesting their assessments.

Preston Kroska, 601 2nd Avenue E, discussed the weight restriction and truck routes in the City. He reported he has violated the current ordinance over 3,118 days. He understood there were people on the Council that has violated this ordinance as well. He explained a 3 ton vehicle violates the gross vehicle weight. He asked that the Council take a closer look at the wording within the ordinance in order to ensure it was correct. He feared that Amazon, UPS and FedEx trucks would now be ticketed while driving through the community. He appreciated the fact the sod from the 2020 street project

was finally taking. He commented on the recent watermain break and asked that the City look into the causes. He then discussed how the City was violating Minnesota State Statute 169.98 with the way vehicles look. He noted the Police Chief's squad was violating State law. He recommended the City wrap the Chief's squad car to ensure the City was in compliance with State law.

Peter Stanton, 625 5th Avenue NE, stated he tries to stay away from these meetings because when he attends, he is frustrated with what is going on. He noted he was a long time resident of Osseo. He feared the Council was going down a path that would repeat some mistakes that were made in the past. He discussed how the City was going over the top with taxes. He noted in two years' time, the City portion for his property taxes has increased 45%. He believed this was excessive. He explained he was told by a Councilmember that the Council could support a 100% increase in taxes. He stated he had a problem with that type of leadership. He discussed what other communities had for levy increases. He commented on how the proposed tax increases were hurting Osseo residents. He discussed how the workmanship from the alley project behind his home was unacceptable. He asked that the City Council be more accountable for their actions and the tax increases.

Kenny Nelson, 509 3rd Avenue NE, explained he was shocked to see the City spending \$90,000 per a squad car for a City that was less than one square mile. He stated he was struggling to come up with \$20,000 for a used minivan. He discussed how much the City Council has allocated in recent months on the police department. He explained he fully supported the Osseo Police Department, but he questioned if the City Council has ever learned to say no. He commented on how other cities were staffing and funding their police departments. He noted Osseo would have 4.8 police officers per 1,000 residents in 2024 when the department has 13 officers on staff, which was way above all departments in the State of Minnesota. He encouraged the City Council to consider how increased property taxes were impacting residents and how some residents may be taxed out of the community. He stated he was frustrated by the fact he received emails from the City saying he doesn't understand the budget. He urged the Council to consider another option, instead of spending \$90,000 per squad car.

Marcus Leab, 440 2nd Avenue NE, stated after listening to Peter, John and Kenny he understood they were angry. He indicated he was not a long time resident as he has only lived in Osseo for the past seven years. He reported he lived next door to the new fire chief. He explained he had nothing negative to say about the police or fire departments. He stated he wasn't going to pretend to understand the budget. He commented on how he was grateful to be able to move to the City of Osseo, but stated it was getting difficult to remain in the community because he only made so much as a teacher in the district. He indicated he did not want to leave this town, but stated the property taxes and street improvement projects were adversely impacting him. He commented on how the sod and retaining wall were not completed properly and how he has worked to correct the situations. He understood the Council was working hard to better the City, but he feared people like him were not wanted in this community. He stated he had friends with young families that wanted to move to Osseo, but they can't afford it. He explained he was not coming before the Council with anger, but encouraged them to consider how residents in the community may be struggling to make ends meet.

7. SPECIAL BUSINESS

A. SWEARING IN CEREMONY FOR POLICE OFFICER BRETT LETOURNEAU

Police Chief Mikkelson introduced Police Officer Brett Letourneau to the City Council and discussed his history with the community.

City Attorney Tietjen administered the Oath of Office to Officer Letourneau. Officer Letourneau's badge was pinned on and a round of applause was offered by all in attendance.

B. ACCEPT DONATIONS

Grams stated the City has received the following donations:

<u>Donor</u>	<u>Amount/Item</u>	<u>Designated Fund</u>
Osseo Fire Department Relief Association	\$30,000	CIP Fire Equipment

Staff recommended the Council accept the donations.

A motion was made by Hultstrom, seconded by Mueller, to adopt Resolution No. 2023-53, accepting a donation from the Osseo Fire Department Relief Association. The motion carried 5-0.

8. PUBLIC HEARINGS

A. TRUTH IN TAXATION HEARING

Grams stated the City would be holding its Truth in Taxation Hearing with the purpose being to listen to public comments regarding the proposed City portion of total property taxes for 2024. He commented on how property taxes were determined for homeowners noting property values were determined by the Hennepin County Tax Assessor. He discussed how the property values in Osseo have been on the rise in recent years. He reviewed how the City's tax capacity rate has also increased. He described how property tax dollars are allocated by the City and commented on how the median value homeowner would be impacted by the proposed levy. He discussed why City taxes were increasing, noting 2024 was an election year and the City would have increased costs for staffing and public safety. He commented further on the proposed levy increase and requested the Council hold the Truth in Taxation Hearing in order to take comments from the public.

A motion was made by Hultstrom, seconded by Mueller, to open the Truth in Taxation Hearing at 7:53 p.m. The motion carried 5-0.

John Hall, 808 3rd Street NE, stated he has been through many budgets when he served on the City Council. He indicated this was the largest increase he has ever seen. He asked if the squad car purchases could be staggered instead of being done in one year.

Police Chief Mikkelson explained the \$90,000 was not just for a squad car but rather provided the department with a fully outfitted vehicle with a gun, lights, radios,

computer, striping, and mounts. He reported the department was shifting to Dodge, not because Ford wouldn't work with Osseo, but because they were not working with anyone. He stated he could not purchase a Ford squad car. He stated it was not typical for him to not purchase three squads in one year, but noted he had budgeted for one squad and was adding two new squads. He indicated he would not typically request to purchase three squads in one year and going forward he would not be making this request. He commented further on the ghost graphics that were installed on the unmarked squad vehicle, noting these markings met State Statute. He explained he wished he could go with Ford for the new squads, but they have been canceling orders.

Mr. Hall asked if any of the existing police equipment could be transferred over to the new squads. Lieutenant Kintzi reported the radio would be reused, along with the weapons and radar for one squad car.

Mr. Hall suggested the City break precedent and require employees to pay for the health care increase instead of this being covered by the City. He questioned if Osseo needed to have a full time fire chief given the size of the City. He urged the City Council to reconsider what the needs and wants were for the City. He stated taxes were going through the roof and this was adversely impacting the residents of Osseo.

Kenny Nelson, 509 3rd Avenue NE, stated he took exception to the graph that showed all the crime that was happening around Osseo. He explained he understood crime was also happening in Osseo. He commented he had a hard time understanding why Osseo needed three more officers and two more the year after that. He believed this was a big ask for the community to fund. He understood the department needed to add full time officers, because they could not find part-time help. However, these extra officers were creating additional expenses for the City. He stated the City was looking at nearly a 50% increase in the public safety budget. He questioned when the increases would end and noted he had major concerns with the proposed budget. He discussed how he believed volunteer firefighters should be paid more, but he feared the police department was consuming too much of the budget increases. He suggested the Council take a look at the staffing for the police department next year to see if two additional officers were necessary in 2025.

Peter Stanton, 625 5th Avenue NE, commented on the mailing he received from Hennepin County noting out of 45 cities, not one City was proposing a levy increase as high as Osseo. He explained his wages have not increased at the same level as the proposed increases in taxes from the City. He agreed that the Council may need to do some reflection on if they were doing a good job for the City of Osseo.

Preston Kroska, 601 2nd Avenue E, stated he believed Police Chief Mikkelson was one of the best police chief's around. He believed the Osseo officers were very well trained, but he understood this came at a cost. He suggested the City begin collecting and recycling aluminum cans in order to raise funds for public safety. He indicated this trailer could be located near the fire department and the funds collected could assist with covering expenses within the public safety budget.

A motion was made by Hultstrom, seconded by Vickerman, to close the Truth in Taxation Hearing at 8:14 p.m. The motion carried 5-0.

9. OLD BUSINESS – None

10. NEW BUSINESS

A. APPROVE FINANCIAL MANAGEMENT PLAN PROPOSAL

Grams stated cities typically conduct a full-scale financial management assessment every 7-10 years, depending on the need. The last financial management assessment in Osseo was conducted in 2014. Staff connected with Ehlers to receive the proposal to work with Ehlers and conduct a comprehensive financial analysis of the City's finances. A financial management plan provides the City a strategic plan for long-term health of City finances. With many larger items to come to the City over the next few years, the timing is great to conduct such an analysis. The plan will be a tool for the City to ask many 'what if' questions and will assist the City in identifying critical planning and capital needs which help guide the direction of the plan itself. The plan will include the following items:

- General fund analysis
- Capital Improvement Plan (Streets, Parks, Facilities, Equipment and Cable Funds)
- Police and Fire Funds
- Debt service levies (current and potential future debt)
- TIF districts

Grams explained the City of Osseo and Ehlers Financial Services have had a long-term relationship assisting with several key financial management considerations. City staff greatly values its relationship with Ehlers. The cost of the financial management plan is \$27,500 and will be paid out of various enterprise funds as well as the Capital Improvement Fund. There is also an option to incorporate PlanIt software into the City's system, which is a simple software platform that aids Staff with Capital Improvement Planning, at an annual cost of \$1,600. Staff is currently reviewing this option.

Jessica Cook, Ehlers & Associates, commented further on what would be included within the financial management plan, noting this would be a detailed long-term financial budget that takes into account all existing debt, commitments and future capital. She commented further on the benefits of having this plan in place and asked for comments or questions from the Council.

Schulz stated the last financial management plan was completed in 2014 and it was an extremely useful tool for the Council. He explained he fully supported the City moving forward with an updated financial management plan to assist the Council with its financial planning for the next 10 years.

Poppe agreed explaining the Council had nothing before 2014. He commented on how this plan provides the Council with forethought when it comes to capital purchases. He stated he supported the financial management plan moving forward as well.

A motion was made by Mueller, seconded by Schulz, to approve the Financial Management Plan proposal with Ehlers. The motion carried 4-1 (Hultstrom opposed).

B. APPROVE PURCHASE OF POLICE OFFICER EQUIPMENT

Police Chief Mikkelson stated with the addition of new officers in the department and our planned vehicle replacement, we will need to order three new squad cars. We have struggled to find suitable squad cars to add to our fleet. We have been unable to order new Ford Explorers since the new model will not be out until next year. Since we currently do not have enough squad cars in our fleet to cover the expansion, we recommend purchasing three Dodge Durango's. This purchase will allow us to add two squad cars to patrol, replace Squad 120, which is four years old, and send Squad 667 to auction. When the council approved the department's expansion, I asked Officer Matt Peterson to look into purchasing new handguns for our department. Officer Peterson found that we could no longer order the Glock 17 since Glock discontinued the handgun. To keep the same caliber handgun and our officers carrying the same guns, he recommended the Glock 47, the new 9mm handgun. The total price per gun with iron sights is \$609.98. We want to purchase 15 handguns. This purchase would allow us to equip the current and expected expansion officers and have two handguns as spares if there are any problems or an officer's handgun has to be placed into evidence.

Police Chief Mikkelson explained recently we have been experiencing many difficulties with our current system of officer computers. Several years ago, I found a solution for our department that included using the squad computers as our internal desk computers. The Gtech computers are used in the squad car and in the office using a docking system. Within the last four months, we have had many issues with our computers not connecting to the in-department server and/or losing connection while the computer was out of the office. We have worked with Element Technology and Hennepin County to fix these and other problems. I was told that these computers are having issues connecting to multiple networks. They currently connect to our department server, the Hennepin County Server, and Verizon Wireless. I asked Element Technologies for a plan of action to try and fix the problems. Their recommendation is to change the direction of how we use our computers. I was told that we should migrate to have four workstations in our office and only use the squad computers for in-car operations. He invited the public to reach out to him with any questions they may have regarding the new officers and proposed purchases. He commented further on the proposed police equipment and recommended approval of the purchases.

Vickerman stated she was pleased the department would be able to sell back its existing firearms in order to assist with the purchase of new firearms. She thanked the police chief for explaining why uniformity with equipment was important for police staff.

Schulz commented on how the change in operating systems has made it necessary to purchase new computers. He explained it was vital for officers to have fully operational squad computers. Police Chief Mikkelson further discussed the issues his officers were having with the existing computer system.

Schulz reported if the department were to move to desktop units, they would be able to be upgraded in the future. He believed this was a plus for the City moving forward.

A motion was made by Hultstrom, seconded by Mueller, to approve the purchase of the police equipment as listed. The motion carried 5-0.

C. APPROVE FITNESS INSTRUCTOR AGREEMENTS

Grams stated in 2014 the City Council approved an adult fitness program whereby more use of the community center would be encouraged, and seniors and others had more activities than just playing cards and bingo. The classes are free to users and the City has paid two fitness instructors to lead these classes. At the beginning, classes offered were yoga and jazzercise. Classes now are yoga and strength training. Bi-annually the fitness program is reviewed to determine use level and health of the program overall. Included are the class attendance for the last two years (from September-August), as recorded by Adult Recreation Coordinator Dee Bonn.

Schulz clarified for the record that the fitness classes offered by the City were open to all adults and not just seniors. Grams reported this was the case.

Mueller questioned if these classes were for Osseo residents only. Grams indicated the classes were open to anyone who could attend and were offered free of charge.

Vickerman stated she supported the Council taking a closer look at these classes in the near year in order to find another way to offset the costs.

A motion was made by Hultstrom, seconded by Vickerman, to approve the two agreements between the City of Osseo and fitness instructors, Laurie Wolfe and Missy Kloster, as presented. The motion carried 5-0.

D. APPROVE POSTING FOR ADMINISTRATIVE ASSISTANT POSITION

Grams stated current Administrative Assistant Karen Broden has indicated her desire to retire from City service in early 2024. The Administrative Assistant position is a critical staff position which handles customer facing interactions (front Administrative counter and main phone lines) here at City Hall and also supports all other City Staff as needed. Posting the position now will allow the City HR Committee to conduct necessary interviews in early 2024, with an eye towards hiring Ms. Broden's replacement a few weeks prior to the retirement, allowing for some direct peer-to-peer knowledge transfer. The City will post on the City's website as well as the League of MN Cities job posting site. Applications will be collected and reviewed, with interviews conducted, until the position is filled.

A motion was made by Hultstrom, seconded by Mueller, to approve the posting for the Administrative Assistant position.

Schulz explained he supported the City rehiring for this position.

The motion carried 5-0.

E. CLOSED SESSION – CITY ADMINISTRATOR PERFORMANCE REVIEW

City Attorney Tietjen requested the Council make a motion to move into Closed Session in order to conduct the City Administrator's performance review.

A motion was made by Schulz, seconded by Mueller, to move to a Closed Session meeting pursuant to Minnesota Statutes Section 13D.05, subd. 3(a), to conduct the review, and then re-open the meeting and announce that a summary will be given at the meeting on December 11, 2023. The motion carried 5-0.

Poppe recessed the City Council meeting to a Closed Session at 8:52 p.m.

Poppe reconvened the City Council meeting at 10:05 p.m.

F. APPROVE ACCOUNTS PAYABLE

Grams reviewed the Accounts Payable with the Council.

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

11. ADMINISTRATOR REPORT

Grams offered his condolences to the Osseo Police Department after the passing of long time officer Randy Williams.

Grams hoped the residents of Osseo were enjoying the holiday lights along Central Avenue.

Grams stated Small Business Saturday as another great event for the community. He thanked everyone who participated and opted to support the small businesses in Osseo on Saturday, November 25.

12. COUNCIL AND ATTORNEY REPORTS

Hultstrom thanked Staff for putting up the lights along Central Avenue.

Hultstrom indicated she recently attended a fire relief meeting and also attended a virtual Metro Cities meeting with City Administrator Grams.

The Council sent their condolences to the Osseo Police Department.

Mueller congratulated Officer Letourneau and thanked him for his continued service to the City.

Mueller thanked the residents for offering their input during Matters from the Floor and stated the Council heard these comments. She thanked Police Chief Mikkelson and Lieutenant Kintzi for addressing questions from the public.

Mueller stated Small Business Saturday was amazing in Osseo. She congratulated the 32nd Collective for opening in the community.

Vickerman reported she appreciated seeing so many people downtown for Small Business Saturday. She stated she was looking forward to participating in Minidazzle.

Vickerman wished everyone a Happy Hannukah.

Schulz reported Small Business Saturday was a really great event again this year for Osseo. He stated he appreciated the fact the City had food trucks at this event.

13. ANNOUNCEMENTS

Poppe invited residents to participate in the American Red Cross Blood Drive on Wednesday, November 29 at the Community Center from 1:00 p.m. to 7:00 p.m.

Poppe encouraged all residents to attend Minidazzle on Friday, December 1 from 6:00 p.m. to 8:00 p.m. along with Lunch with Santa on Saturday, December 2 from 11:00 a.m. to 1:00 p.m.

Poppe encouraged residents to donate a new unwrapped toy to the Toys for Tots drive. Donations could be dropped off at the Osseo Police Department through December 14.

Poppe encouraged residents to consider donating a coat to the Annual Winter Warm Up Coat Drive, which would run through Thursday, November 30.

14. ADJOURNMENT

A motion was made by Hultstrom, seconded by Mueller, to adjourn the City Council meeting at 10:21 p.m. The motion carried 5-0.

Respectfully submitted,

Heidi Guenther
Minute Maker Secretarial