

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
April 22, 2024**

1. CALL TO ORDER

Mayor Duane Poppe called the regular meeting of the Osseo City Council to order at 7:01 p.m. on Monday, April 22, 2024.

2. ROLL CALL

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

Staff present: City Administrator Riley Grams, Public Works Director Nick Waldbillig, Interim Fire Chief Mike Cogswell; Alyson Fauske, WSB & Associates; and City Attorney Mary Tietjen.

Others present: Commissioner Jeff Lunde; Kenny Nelson, City Resident; John Hall, City Resident; Preston Kroska, City Resident; Nick Torres, City Resident; Dick Leininger, member of the Triumph Sports Car Club and Chairman of the InterMarque Car Show.

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 the agenda be amended moving Item 10H prior to 10G and Item 10C after Item 10E.

A motion was made by Schulz, seconded by Hultstrom, to accept the Agenda as amended. The motion carried 5-0.

5. CONSENT AGENDA

- A. Approve April 1 Work Session Minutes
- B. Approve April 1 Council Minutes
- C. Receive April 8 EDA Minutes
- D. Approve April 8 Council Minutes
- E. Approve Hire of Firefighter Richard Modeen
- F. Receive March American Legion Gambling Report
- G. Receive March Lions Club Gambling Report
- H. Receive March Osseo Maple Grove Hockey Association Gambling Report
- I. Receive March Osseo Fire Relief Association Gambling Report

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

6. MATTERS FROM THE FLOOR

Kenny Nelson, 509 3rd Avenue, reported he donated two American flags to the City. He stated on Saturday, May 11 there would be a flag raising ceremony at Boerboom Park.

John Hall, 808 3rd Street NE, thanked the Council for allowing him to speak. He commented on how the Council had previously discussed how to address emerald ash borer (EAB) and stated there was talk about saving some trees along 9th Avenue on State property. He reported he spoke with a friend Bill, who was in charge of Metro for MNDOT noting they have taken out five trees to date and determined that one tree had been treated. He understood the State would be waiting to see what trees bud this year before making a determination if more trees should be removed. He encouraged the Council to bring in an arborist to look at trees on private property to see how EAB has impacted trees on private property. He explained he had an ash tree in his yard that had to come down. He discussed the City of Osseo's assessment policy noting the basic criteria speaks to special benefit and the amount of an assessment must not exceed the special benefit. He commented on how the City was completing a reclamation project with curb spot repair in 2024 and encouraged the City Council to reconsider its assessment policy. He was of the opinion the 50% assessment split was too high. He anticipated if the assessment was more reasonable, his neighbors would not contest the assessment.

Preston Kroska, 601 Second Avenue NE, stated at the Council's last meeting he spoke to his 1st Amendment rights because Councilmember Hultstrom and Councilmember Mueller attacked a Commission member. He encouraged Councilmember Schulz to review the 1st Amendment given his comments to the Mayor for not using his gavel. He discussed how Councilmember Schulz took a picture of his house and sent it up the chain to see if there were any code violations. He stated he did not understand why Councilmember Schulz acted in this manner. He believed Councilmember Schulz was a great Councilmember until he didn't get his way.

Nick Torres, 133 8th Avenue NE, stated as a resident being impacted by the street project, he understood he had to pay something for the street improvements. However, he hoped the Council could review the language within the assessment policy to see what would be for this reclamation project.

7. SPECIAL BUSINESS

A. ANNUAL HENNEPIN COUNTY UPDATE

Commissioner Jeff Lunde provided the Council with an update from Hennepin County. He explained he was focused on transit and public safety at this time. He described how Hennepin County was evolving its approach to community safety. He reported a three day Safe Communities Summit was being planned May 16-18 which would serve as a connector and incubator for meaningful, long-term change when it comes to public safety. The hope would be to provide a framework to help cities achieve positive outcomes that highlight specific evidence-based solutions while also helping each city

create a customized and sustainable action plan. He stated the County was focused on investing in the treatment of youth in hopes of keeping them out of the system long-term. He commented on how he was working to create a working group for youth interventions in order to create expanded treatment options for justice-involved youth. He discussed how the communities within the Blue Line corridor was underserved today and encouraged the Council to offer municipal consent for the Blue Line Extension. He encouraged the Council to contact him or his staff members with any questions or comments they may have.

Poppe thanked Commissioner Lunde for his detailed presentation.

B. APPROVE 2024 INTERMARQUE CAR SHOW AND CRAFT FAIR SPECIAL EVENT PERMIT

Grams stated the 2024 InterMarque Car Show and Craft Fair in the Park is scheduled to take place on Saturday, May 18 from 9:00 AM to 3:00 PM. As always, the event is scheduled rain or shine. The event includes several local car clubs (Mercedes, Jaguar, MG, Citroen, Triumph, Austin Healey, Lotus, Mini, Alfa, and many others) showcasing their cars for visitors to see. The owners always love visitors coming up and chatting about the cars. The Craft Fair in the Park will also be back again this year, with many great vendors showing and selling various craft items. Additionally, CROSS Food Shelf will have containers available for anyone who wishes to donate any non-perishable food items. The event requires the closure of several streets in the downtown area. The street closures were reviewed with the Council. Additionally, local restaurants, bars, and other businesses report that these types of events usually lead to some of their best sales days.

Grams reported this is historically one of the most well attended events in Osseo and we expect that again this year. The applicant, Dick Leighninger, will be present on Monday night to talk about the event. Staff has already met with the event organizers to discuss set up and take-down procedures, so that we can safely and responsibly close and re-open the public streets before and after the event. The permit allows City Staff the chance to review the event and determine if any special needs are required to run the event. The Car Show and Craft Fair will require a small amount of Public Works time to set out the necessary 'No Parking' signs and traffic barricades prior to the event. The event organizers then set the barricades out and put them back at the end of the event with the help of the Osseo Police Department. The fee associated with this work is 1 hour of Public Works time at \$50 per hour. Additionally, there is a \$50 application fee. Staff understands that the applicant will seek a waiver of the permit fees for this event and ask for free advertising on the Osseo Gateway Sign and a waiver to use the Community Center for the event. The City has historically approved the fee waivers for this event each year.

Dick Leininger, member of the Triumph Sports Car Club and Chairman of the InterMarque Car Show, introduced himself to the Council. He noted InterMarque has been doing car shows for the past 31 years and for the past 12 years in Osseo. He discussed how the car show in Osseo was a favorite. He thanked the City for being a tremendous host. He reported 19 car clubs were signed up for this years event and the featured car would be Volkswagen. He requested the Council consider three waivers,

one being for the roadways, the second for the gateway sign fee and the third would waive the community center fees. He thanked the Council for considering his request.

A motion was made by Hultstrom, seconded by Vickerman, to approve the special event permit for the 2024 Osseo Vintage Foreign Car Show and Craft Fair with associated fee waivers and street closures. The motion carried 5-0.

C. ACCEPT DONATIONS (Resolution)

Grams stated the City has received the following donations:

Donor	Amount/Item	Designated Fund
Osseo Lions Club	\$1,500	Night to Unite
American Legion Post 172	\$2,000	Night to Unite
Kenny Nelson	Two new MN State flags	Parks

Staff recommended the Council accept the donations.

Hultstrom stated she had a concern regarding the flag donation. She reported it was her understanding Minnesota has not adopted a new flag but rather has sent it back to committee. She recommended these flags not be hung until they have been approved as the new State flag. The Council agreed with this recommendation.

A motion was made by Hultstrom, seconded by Mueller, to adopt Resolution No. 2024-27, accepting a donation from the Osseo Lions Club, American Legion Post 172 and Kenny Nelson. The motion carried 5-0.

8. PUBLIC HEARINGS – None

9. OLD BUSINESS – None

10. NEW BUSINESS

A. CALL FOR 2024 STREET PROJECT ASSESSMENT HEARING

Alyson Fauske, WSB & Associates, stated the 2024 Street Project consists of reconstructing North Oaks Drive and 1½ Street NE (Central Avenue to 1st Avenue NE), reclamation of 3rd Street NE, 8th Avenue NE, 9th Avenue NE, 1st Street NE, and Broadway Avenue (“8th/9th Ave Area”), and the mill and overlay of the CR 81 Frontage Road. Utility work includes extension of storm sewer and replacement of hydrants. All of the curb and gutter will be replaced in the reconstruction areas. Spot curb and gutter replacement in the 8th/9th Ave Area will consist of removal and replacement of full panels that are severely damaged, have heaved, or have settled. There are several panels throughout the 8th/9th Ave Area that are flat and therefore hold water for a period of time following rain events. In order to fix this issue, the street grade would need to be adjusted; therefore, these panels will not be replaced with this project. She commented further on the proposed project costs and requested the Council adopt the two Resolutions ordering preparation of the proposed assessments and calling for the assessment hearing.

Vickerman thanked Staff for the detailed information on the project costs. She appreciated better understanding what is 20% of the total bond and what would be collected in assessments. She was interested in discussing what was being collected for certain projects noting the 50% would put the City well over the 20% requirement.

Hultstrom read the assessment policy noting it was to serve as a guide for the systematic assessment process. She explained assessment methodology was to be evaluated independently on each project to determine if any modifications need to be made. She indicated the Council may adjust the amount of an assessment calculated for a property or properties to address unique features or circumstances for the property or to more equitably distribute the assessable costs of the project so long as the amount of the assessment does not exceed the special benefit to the property. Any such adjustment will only occur if it is recommended by the City Engineer and is approved by the City Council. She thanked staff for providing more detailed information on the numbers. She questioned what amount the City could go over if the assessments remained at 50%. She understood the total bond was \$3.69 million. She reported the City has spent approximately \$973,000 on the alleyway and \$844,000 on sewer lining. Ms. Fauske reported the City had spent about \$1.8 million.

Hultstrom commented on the process that had to be followed in order to return bond funding. She questioned why the City would be considering a 50% assessment on a reclamation project when this would run over on the bond cost. She supported the Council doing its due diligence by considering modifications to the assessment policy. She suggested a 25% assessment be considered as a guideline going forward for all reclamation projects. If this wasn't considered she noted the Council would have to consider what it would do with the over bonding.

Ms. Fauske recalled there was some leniency with a portion of the bond proceeds not being spent fully, but noted she could not speak to this fully because she was not the City's bond counsel.

Vickerman indicated there was some room to look at the assessment percentage. She explained she did not want to ignore the fact that the rest of the City was paying on the bond. She stated it may be a good idea to create a more clear policy for reclamation projects. She did not believe the City had to assess at 50% for this particular reclamation project. However she also understood all other residents in Osseo have paid 50% for their street projects.

Hultstrom questioned how the Council should proceed. Ms. Fauske suggested the Council call the assessment hearing and adopt the assessment roll, noting the assessment roll could be reduced in the future, but could not be increased. She reported another option would be to award the contract and hold the assessment hearing at a later date in order to allow the Council to further discuss the assessment amounts.

City Attorney Tietjen discussed how the assessment hearing notices sent out contain an estimated assessment. She reported it would be within the Council's right to discuss the assessment policy and make modifications.

Vickerman stated if the notices went out, the assessment values could still go down, but could not go up. Ms. Tietjen stated this was the case.

Vickerman questioned if the project would be delayed if the assessment hearing were delayed. Ms. Fauske indicated the project would not be delayed if the assessment hearing were pushed back.

A motion was made by Hultstrom, seconded by Vickerman, to adopt a Resolution awarding the bid for the 2024 Street Reconstruction and Rehabilitation Project.

Hultstrom stated she would like to make a motion to award the bid. Ms. Fauske discussed the motions before the Council for consideration noting they had to do with declaring the costs to be assessed, ordering preparation of the proposed assessments and calling for the assessment hearing. She stated if there is not a desire to move forward with the assessment hearing, action could be tabled to a future meeting.

Hultstrom rescinded her motion.

Hultstrom stated the Council would have to come up with an assessment number at this meeting in order to take action on the Resolutions before the Council. Ms. Fauske explained if the Council would like to reduce the assessment for the reclamation portion to 25% or some other percentage, she did not have numbers calculated for this adjustment. She suggested the Council allow her to bring this item back to the Council on May 13. She stated from a project standpoint, the project could still be accepted and awarded by the Council independent of the assessments.

Hultstrom indicated she thought she had made this motion previously. Ms. Fauske reviewed the project schedule as it was presented in the packet noting the assessment hearing and bid award was to be considered on May 28. She reported if the Council chooses to not call for the assessment hearing, she could bring award of contract to the May 13 meeting and the Council could hold the assessment hearing at a meeting in June.

Hultstrom asked what action the Council could take at this meeting. Ms. Fauske indicated the Council could table action on calling the assessment hearing and providing staff with direction on how to proceed with the assessment methodology. She reported she would then come back to the Council with an award of contract separate from calling for the assessment hearing.

Hultstrom commented she did not support holding the assessment hearing on Tuesday, May 28 because it was a day after a holiday. She supported this item being tabled and that staff be directed to report back with numbers on a 25% assessment rate.

Poppe questioned how the curbs would be assessed.

Vickerman recommended curbs be assessed at 50% and the reclamation portion be reduced.

Hultstrom stated she could support this recommendation noting curbs would be at 50% and the reclamation expense would be at 25%.

A motion was made by Hultstrom, seconded by Vickerman, to table action on Declaring Cost to be assessed, and ordering preparation of proposed assessments for the 2024 Street Reconstruction and Rehabilitation Project, directing staff to provide the Council with further information on a 25% assessment for reclamation work and 50% for curb work to the May 13, 2024, City Council meeting. The motion carried 5-0.

A motion was made by Hultstrom, seconded by Vickerman, to table action on Calling for Hearing on Proposed Assessments for the 2024 Street Reconstruction and Rehabilitation Project to the May 13, 2024, City Council meeting. The motion carried 5-0.

B. APPROVE PURCHASE OF FIRE DEPARTMENT PUMPER TRUCK

Interim Fire Chief Cogswell stated the replacement of Tanker 11 is due (which is up for 20-year replacement). The Fire Department created an internal truck committee to determine the exact needs for a new pumper truck and worked with the vendor to develop a proposal for a new pumper truck. The pumper truck will supply water to a fire scene from a nearby fire hydrant. Upon ordering the truck, it will take approximately two to three years for the vehicle to be built, customized, and shipped to the City of Osseo to be put into service.

Mueller explained this purchase was reviewed by the Public Safety Advisory Committee and this group recommended moving forward with the purchase prior to the May 1 deadline for cost saving purposes.

Vickerman asked if this purchase would be funded by the fire relief association. Interim Fire Chief Cogswell reported this was the case.

Vickerman questioned how old the Tanker 11 truck was. Interim Fire Chief Cogswell stated this truck was purchased in 2002.

A motion was made by Vickerman, seconded by Mueller, to approve the purchase of a new pumper truck for the Osseo Fire Department. The motion carried 5-0.

D. APPROVE UPDATED COMMUNITY CENTER POLICY

Grams stated the City Council reviewed the Community Center policy at their work session on February 26, and provided direction to Staff to work with the Budget and Finance Committee (Mayor Poppe and Councilmember Schulz) to develop recommended updates to the policy. Staff met with the Budget and Finance Committee on March 19 to develop recommended policy language changes. Staff reviewed the draft policy and proposed changes in further detail with the Council.

A motion was made by Schulz, seconded by Mueller, to approve the updated Community Center Policy. The motion carried 5-0.

E. APPROVE UPDATED GATEWAY SIGN POLICY

Grams stated the City Council reviewed the Gateway Sign policy at their work session on February 26, and provided direction to Staff to work with the Budget and Finance

Committee (Mayor Poppe and Councilmember Schulz) to develop recommended updates to the policy. Staff met with the Budget and Finance Committee on March 19 to develop recommended policy language changes. Staff reviewed the updated gateway sign policy in further detail with the Council.

Schulz stated the Budget and Finance Committee talked about this matter to address the charitable gambling concerns raised by Councilmember Mueller. He discussed how it was in the City's best interest to go with the City administered fund ordinance to help promote events as this has a positive impact on attendance at events and bolsters the City's fund. He wanted to ensure the City was being a good partner to local organizations and to ensure they were as successful as possible.

Mueller thanked the Budget and Finance Committee for taking the time to review this policy.

A motion was made by Mueller, seconded by Vickerman, to approve the updated Gateway Sign Policy. The motion carried 5-0.

C. APPROVE FIRST READING OF CITY ADMINISTERED FUND ORDINANCE

Grams stated City Staff developed the draft ordinance regulating lawful gambling based on the League of Minnesota Cities' model with changes made based on initial direction from Council. Staff anticipate collecting feedback at tonight's meeting and presenting a revised ordinance on May 13. Staff reviewed a list of questions related to commonly considered local regulations that the city could choose to adopt. In the ordinance, I also left in comments identifying the provisions relevant to the questions. The items addressed by the questions and comments are not exclusive and other text in the ordinance can be amended as well. I have included a table showing how Brooklyn Park and Maple Grove address the same questions.

Grams explained for reference, the Minnesota Department of Public Safety ("DPS") issues licenses for lawful gambling activities, including activities such as bingo, pull-tabs, raffles, paddlewheels, and tip boards. However, City approval is required prior to the license being issued by DPS and part of the approval is confirmation that the licensee meets the additional requirements of the city code. Staff reviewed the questions in further detail with the Council. The City Council should discuss and consider the questions, provide feedback and direction to City Staff who will update the ordinance and present the second reading at the May 13, 2024 Council meeting for adoption.

Grams asked if the Council wished to require a local permit for exempt gambling.

Schulz stated in reading through the information he noted he could go either way with local permits for exempt gambling. He commented on State Statute requirements and indicated it may make sense for Osseo to require local permitting within this ordinance. The Council was in agreement.

Grams questioned if the Council wanted to establish a trade area.

Schulz indicated he was opposed to the City establishing a trade area in the Ordinance. The Council was in agreement.

Grams inquired what the contribution amount should be.

Schulz believed 10% was a good starting point.

Vickerman agreed.

Hultstrom commented she had concern given the fact the City sees so much of the gambling proceeds already being returned to the City. She feared if 10% was required, the same amount may not be coming to the City.

Vickerman stated setting a percentage might provide a more streamlined process for the charitable gambling organizations. She understood these organizations were already contributing to the City and noted the blanket 10% would streamline the contribution process.

Schulz indicated the 10% would eliminate the constant requests from the City.

Poppe noted the 10% would also assist with the fee waiver requests.

Hultstrom questioned if Night to Unite and Movies/Music in the Park would have to be budgeted line items since the City would not be looking for contributions. She indicated she was concerned with how the 10% would impact the fire relief association.

Schulz reported disbursements for public safety are allowed in the State Statutes, so this would not change. He explained the fire relief association was giving 90% of what they were making back to the City, so nothing would change for this organization.

The Council supported setting the contribution amount at 10%.

Grams asked if an investigation fee or gambling tax should be implemented. He noted staff recommended an investigation fee.

Schulz supported the City moving forward with an investigation fee. The Council was in agreement.

Grams questioned if the City wanted to limit the number of organizations per premise. The Council had no desire to implement this.

Grams inquired if the Council wanted to limit the number of premises within the City. The Council did not support limiting the number of premises within the City.

Grams asked if the Council wanted to limit the total number of licenses issued within the City. The Council did not support limiting the total number of licenses issued in Osseo.

Grams indicated he would work to update the ordinance for second reading at the next city council meeting.

A motion was made by Schulz, seconded by Mueller, to approve the First Reading of the City Administered Fund Ordinance with the noted changes. The motion carried 5-0.

F. APPROVE 2024 FEE SCHEDULE UPDATES

Grams stated Staff has reviewed the fee schedule for 2024 and is recommending the following proposed changes included in the fee schedule:

Community Center Cleanup and Cancelation Charges

The Council will be considered approval of the Community Center policy updates at the April 22, 2024, meeting. If approved, Staff recommends adding the hourly rates for Staff cleanup charges and cancelation fee to the fee schedule.

Rental Housing Reinspection Fee

Rum River Consultants is recommending changing how the reinspection fee is charged, as currently there is a \$100 fee for each unit, which can add up quickly, and instead they are recommending a flat rate trip fee of \$95 and then an hourly rate for anything beyond an hour if there are multiple units.

Utility Charges

Updated per Resolution 2024-14 Sanitary Sewer, Resolution 2024-15 Storm Sewer, Resolution 2024-16 Water, effective January 1, 2024.

A motion was made by Mueller, seconded by Hultstrom, to adopt Resolution No. 2024-28, amending fee schedule updates for 2024. The motion carried 5-0.

H. APPROVE ACCOUNTS PAYABLE

Grams reviewed the Accounts Payable with the Council.

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

G. CLOSED SESSION – CITY ADMINISTRATOR QUARTERLY REVIEW

Poppe stated the Council HR Committee has asked to conduct a closed session quarterly review of the City Administrator with the entire Council. Under Minnesota Statute regarding the 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 regarding the evaluation at its next open meeting. A summary of the closed session proceedings will be given at the next open meeting.

A motion was made by Hultstrom, seconded by Mueller, to move to Closed Session per Minnesota State Statute 13D.05 Subd. 3(a). The motion carried 5-0.

The City Council meeting recessed at 8:22 p.m.

The City Council meeting reconvened at 10:37 p.m.

11. ADMINISTRATOR REPORT – None

12. COUNCIL AND ATTORNEY REPORTS

Hultstrom stated she will not be able to attend the Council worksession meeting on Monday, April 29.

13. ANNOUNCEMENTS – None

14. ADJOURNMENT

A motion was made by Schulz, seconded by Hultstrom, to adjourn the City Council meeting at 10:39 p.m. The motion carried 5-0.

Respectfully submitted,

Heidi Guenther
Minute Maker Secretarial