

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
May 13, 2024**

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, May 13, 2024.

2. ROLL CALL

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

Staff present: Interim Administrator/Police Chief Shane Mikkelson, Alyson Fauske, WSB & Associates; Rebecca Kurtz, Ehlers & Associates; and City Attorney Mary Tietjen.

Others present: Nick Torres, City Resident; John Hall, 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 Mueller, seconded by Vickerman, to accept the Agenda as presented. The motion carried 5-0.

5. CONSENT AGENDA

- A. Receive April 16 Public Safety Advisory Committee Minutes
- B. Approve April 22 Work Session Minutes
- C. Approve April 22 Council Minutes
- D. Approve April 26 Special Council Meeting Minutes
- E. Approve April 29 Work Session Minutes
- F. Approve Hire of Leonardo Ricks for Police Reserve Officer
- G. Approve Hire of Movie Attendants – Elizabeth Dahlin and Kenny Paz
- H. Approve Bandshell Fee Waiver Request for Osseo Cross Country Alumni Association
- I. Receive Q1 Building Report
- J. Receive April Fire Department Activity Report
- K. Receive April American Legion Gambling Report

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

6. MATTERS FROM THE FLOOR – None

7. SPECIAL BUSINESS – None

8. PUBLIC HEARINGS – None

9. OLD BUSINESS

A. CALL FOR 2024 STREET PROJECT ASSESSMENT HEARING, ACCEPT BIDS AND AWARD CONTRACT

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), full depth 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 reviewed the bid tabulation information summary with the Council. It was noted assessments would move forward at 50% of street reconstruction and curb replacement costs and 25% for street reclamation costs as directed by the Council at the April 22 City Council meeting. She commented on the bond funding that would be used for this project and stated she did not foresee any issues. Staff commented further on project and recommended adoption of the Resolutions.

Hultstrom asked if the City could do additional sewer lining with the extra \$400,000 in bond funding. Ms. Fauske stated it was her understanding the bond was issued for street, alleyway and sanitary sewer lining improvements and could be used for additional sewer lining work. She indicated another option would be to use these additional funds for an alleyway project in 2025.

Vickerman commented it was her understanding the bond funding had to be spent by August of 2025. Ms. Fauske explained 85% of the bond has to be spent by August of 2024 and the City would meet this requirement if the 2024 street project were to move forward.

Hultstrom thanked Ms. Fauske and Ms. Kurtz for answering all of her questions prior to this meeting regarding this project. She thanked Nick Torrez for getting information to staff on street reclamation. She thanked John Hall for being active in the neighborhood. She appreciated how much work was done by staff and the City Council to bring this street project forward.

A motion was made by Hultstrom, seconded by Vickerman, to adopt Resolution No. 2024-31, declaring cost to be assessed and Ordering Preparation of Proposed Assessments for the 2024 Street Reconstruction and Rehabilitation Project. The motion carried 5-0.

A motion was made by Hultstrom, seconded by Mueller, to adopt Resolution No. 2024-32, calling for hearing on proposed assessments for the 2024 Street Reconstruction and Rehabilitation Project. The motion carried 5-0.

A motion was made by Hultstrom, seconded by Vickerman, to adopt Resolution No. 2024-33, accepting bids and awarding the contract to Park Construction for the 2024 Street Reconstruction and Rehabilitation Project.

Schulz recalled the last time Park Construction worked in Osseo was on 4th Street NE and this project was not completed on time. He indicated this was not a good experience for the City and noted he would not be supporting the award of this bid to Park Construction.

Ms. Fauske explained she reached out to multiple cities (Blaine, Maple Grove, Dellwood) to get references for Park Construction and their project manager. She indicated she received positive comments from each of the cities she reached out to and noted to the best of her understanding this was a responsible bidder.

Schulz stated he appreciated Ms. Fauske making these calls. He commented on how the City has struggled with recent street improvement projects and noted there were lots of reasons why issues occurred. He indicated he did not want to see the City making the same mistakes over again. He was hoping the City would receive a top tier job site supervisor from WSB to oversee this project and that this individual would be in communication with the Public Works Director. He stated he wanted to know if there were problems with the street project right away.

Hultstrom asked if the construction inspector/observer would serve as the project supervisor. Ms. Fauske reported there were two components to the construction observer position. She indicated she did not yet have a name for the Council for this position, but she understood the lead of this group would be in close contact with the inspector to ensure things are going smoothly given the past issues that have come up in the City of Osseo.

Vickerman stated she has had concerns in the past with the fact the City had to take the lowest bid from a responsible bidder. She understood there has been issues in the past and she appreciated how Ms. Fauske was approaching this matter for the 2024 street project.

The motion carried 5-0.

A motion was made by Vickerman, seconded by Hultstrom, to approve a Professional Services Agreement for Construction Administration Services with WSB & Associates for the 2024 Street Reconstruction and Rehabilitation Project. The motion carried 5-0.

10. NEW BUSINESS

A. APPROVE SALE OF EQUIPMENT BONDS AND AWARD BID

Rebecca Kurtz, Ehlers & Associates, stated on April 8, the City Council called for the sale of \$400,000 in General Obligation Equipment Certificates, Series 2024A to finance the purchase of three police squad cars and a public works vehicle. The bonds are general obligation of the City and debt service will be paid with ad valorem taxes. The bonds have a seven year term with principal due on February 1, 2026 through 2031.

Ms. Kurtz explained staff and Ehlers spoke with Standard & Poor's on April 29 to receive a rating for the bonds. Standard & Poor's has affirmed the City's AA long-term rating on its general obligation debt and affirmed the AA- rating on the EDA's Series 2014A lease revenue bonds. She commented further on the bond sale that was held this morning noting the low bid was received from Northland Securities at 3.5% and recommended approval of the bond issuance.

A motion was made by Hultstrom, seconded by Mueller, to adopt Resolution No. 2024-34, for the Issuance and Sale of \$400,000 General Obligation Equipment Certificates, Series 2024A providing for their issuance and levying a tax for the payment thereof . The motion carried 5-0.

B. ACCEPT ASHLEE MUELLER RESIGNATION AND DECLARE VACANCY ON THE CITY COUNCIL

Mikkelson stated the City has received a resignation letter from Councilmember Ashlee Mueller. The City Council should adopt a Resolution, which accepts Councilmember Mueller's resignation from office as of May 13, 2024, and declare that a vacancy on the Osseo City Council must be filled by appointment. Minnesota State Statute 412.02, subdivision 2a, states that when a vacancy is an elected office of a city with less than two years remaining in the unexpired term of office, the City Council must appoint someone to complete the balance of the unexpired term. The Council has leeway in terms of how to appoint an individual to the Council. Typically, the City Council has solicited letters of interest from community members interested in serving on the Council. Should the Council want to continue that same practice, staff recommends that letters of interest be accepted until May 22nd at noon (which is the packet creation and distribution day for the next Council meeting on May 28th). He thanked Councilmember Mueller for her dedicated service to the City and wished her all the best in the future.

Mueller explained she began her service with the City in 2019 on the Planning Commission. She appreciated the amazing opportunities she has had to grow and learn about the City. She reported in 2023 she was appointed to the City Council. She stated this has been an interesting journey and she urged other residents to be involved in the City's committees and commissions. She thanked the Council and City staff for their support.

Vickerman thanked Councilmember Mueller for jumping in and being willing to serve on the City Council. She believed Councilmember Mueller was a natural fit to serve on the Council.

Poppe thanked Councilmember Mueller for her years of service to the City of Osseo.

A motion was made by Vickerman, seconded by Mueller, to adopt Resolution No. 2024-35, accepting Council Member Ashlee Mueller's resignation from office as of May 14, 2024, and declaring that a vacancy exists on the Osseo City Council to be filled by appointment. The motion carried 4-1 (Schulz opposed).

C. APPROVE SUSPENSION OF OSSEO TROLLEY PROGRAM

Mikkelson stated the trolley program in Osseo started in 2016 with the City using its golf cart and generous gifts from the community to start and support the program. Over the years, we had issues with our golf cart, so we switched to a donated golf Cart from Heinen's Motorsports. We have reached out to Heinen's Motorsports this year and they cannot offer a golf cart. Staff then analyzed the program to see what costs were associated with the Osseo Trolley and the program ridership numbers for the last three years. Over the years, we have seen a steady decline in usage. We also estimated the approximate Staff time spent per year to organize the trolley program and the cost of the trolley phone. Staff recommends suspending the program for 2024 since we are without a golf cart to use and the amount of staff time used to organize the program.

Schulz stated when reviewing the numbers, there has been a decline in the number of users over the past few years, while the amount of Staff time has remained the same. He explained he supported suspending the trolley program for 2024.

Mueller agreed the program should be suspended and hoped the Council could bring it back in future years if the City is able to secure a new golf cart. She suggested a partnership be pursued between the City and a senior organization in the community.

A motion was made by Hultstrom, seconded by Vickerman, to approve the suspension of the Trolley Program in 2024 and that the program be revisited in 2025. The motion carried 5-0.

D. APPROVE ACCOUNTS PAYABLE

Mikkelson reviewed the Accounts Payable with the Council.

Hultstrom suggested the payment to Oertel Architects be postponed to a future meeting in order to allow Staff to hear if the City receives State bonding.

A motion was made by Schulz, seconded by Vickerman, to approve the Accounts Payable as amended postponing the payment to Oertel Architects to the May 28, 2024, City Council meeting. The motion carried 5-0.

11. ADMINISTRATOR REPORT

Mikkelson thanked the Council for appointing him to this position noting it would be a learning experience for him.

12. COUNCIL AND ATTORNEY REPORTS

City Attorney Tietjen reported she would be bringing the charitable gambling ordinance to the Council for consideration at the May 28 City Council meeting.

Hultstrom wished Councilmember Mueller all the best noting she really bloomed during her service to the City of Osseo.

Hultstrom thanked Garibaldi's for their generous dedication to Boerboom Park.

Mueller stated the City Councilmembers have been amazing to serve with and she thanked each member for their dedication to the City of Osseo.

13. ANNOUNCEMENTS

Poppe stated the city-wide garage sale would be held Thursday, May 16 through Sunday, May 19.

Poppe reported the Intermarque Car Show and Craft Fair would be held Saturday, May 18 from 10:00 a.m. to 3:00 p.m.

Poppe explained City Hall would be closed on Monday, May 27 for Memorial Day.

Poppe stated the City Council would meet next on Tuesday, May 28.

14. ADJOURNMENT

A motion was made by Schulz, seconded by Mueller, to adjourn the City Council meeting at 7:54 p.m. The motion carried 5-0.

Respectfully submitted,

Heidi Guenther
Minute Maker Secretarial