

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
August 26, 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, August 26, 2024.

2. ROLL CALL

Members present: Councilmembers Mark Cook, John Hall, Juliana Hultstrom, Mark Schulz, and Mayor Duane Poppe.

Staff present: Police Chief Shane Mikkelson and City Attorney Mary Tietjen.

Others present.

3. OATH OF OFFICE – MARK COOK

City Attorney Tietjen administered the Oath of Office to Councilmember Mark Cook. A round of applause was offered by all in attendance.

4. PLEDGE OF ALLEGIANCE

Poppe led the Pledge of Allegiance.

5. APPROVAL OF AGENDA [Additions - Deletions]

Poppe asked for additions or deletions to the Agenda.

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

6. CONSENT AGENDA

- A. Approve August 12th Council Minutes
- B. Approve August 12th EDA Minutes
- C. Accept 2nd Quarter 2024 Building Report
- D. Accept 2nd Quarter SAC Report
- E. Approve Brandon Khemraj as Osseo Reserve
- F. Accept Osseo Lions Lawful Gambling Report
- G. Accept Osseo American Legion Lawful Gambling Report
- H. Accept Osseo Fire Relief Association Lawful Gambling Report
- I. Accept Osseo/Maple Grove Hockey Association Lawful Gambling Report

Hultstrom stated the minutes from August 12 were a bit variable. She wanted the minutes to reflect that there were members in the audience in attendance. She

commented on Page 14 the minutes reflect a motion carried on a 1-3 vote and the minutes should reflect this motion failed.

Hall explained at the end of the August 12 minutes it states he opposed the adjournment of the meeting and noted he did not oppose this motion. He asked that the minutes be changed to reflect this correction.

A motion was made by Hultstrom, seconded by Schulz, to approve the Consent Agenda with noted changes.

The motion carried 5-0.

7. MATTERS FROM THE FLOOR

Kenny Nelson, 509 Third Avenue NE, reviewed the packet from the worksession meeting, which included information on the preliminary budget and tax levy, noting the numbers were not included. He was of the opinion the citizens of Osseo had the right to review this information. He explained he wanted the budget information available to Osseo residents for transparency purposes. He expressed frustration given the number of errors that were in the worksession packet.

Hall explained the packet was corrected and the information was available to the public.

Mr. Nelson commented on Resolution 2016-70 which was the Resolution that created the PSAC Committee. He stated residents interested in advising the City on public safety issues were encouraged to serve on this Committee. He requested the City call for a PSAC meeting because he had concerns regarding public safety. He questioned why the City was advertising a kickball game that had not yet been approved by the City Council. He stated matters like this do not breed trust within the community.

A resident from the City stated it was intimidating to have the Police Chief serving as the City Administrator at City Council meetings. He commented on a video that has over 400 views. He questioned if the City Attorney has looked into this matter.

City Attorney Tietjen stated this video was out in the public, but was considered private personnel data in the hands of the City. She indicated this video got into the hands of the public somehow, and because of that, certain obligations are triggered now under State Statute where the City is obligated to investigate to determine how this happened. She explained there could be civil or criminal penalties once the City determines how the private personnel data was released to the public based on the investigation. She understood Mr. Kroska had the right to address the City Council, but recommended this matter not be dialogued.

A resident from the City questioned how the City dictated this video was their property when the person that took the video was willing to give it out. He commented on the whistleblower act. He indicated he has been contacted by current and former City employees saying people were scared to come forward due to retaliation that may occur from Interim Administrator Mikkelson. He indicated he sent the City Council an email where Interim Administrator Mikkelson dictates he is above the law. He questioned if the Interim Administrator had any comments on that. He stated things

were coming out and he recommended a motion be made by the City Council to hold a closed meeting to discuss this matter in further detail. He questioned if the City was going to wait until the Interim Administrator killed someone else, or violated someone else's rights before taking action. He expressed great concern with the fact the Interim Administrator believed he was above the law and he was running the City.

A member from the City recommended the City Council not move forward with New Business Items 11B and 11C. He asked if Item 11G, the Service Contract with Voyageur Cannabis Service has gone out for bid. He explained he heard a rumor that a Councilmember has family members involved in this matter. He expressed concern with how the preliminary budget for 2025 was starting out. He indicated he has a lot of respect for the Osseo Police Officers. However, they are very young and inexperienced. He questioned why all of the senior officers left the department.

Hultstrom discussed the clerical error that occurred when staff bookmarked the agenda.

8. SPECIAL BUSINESS

A. ACCEPT DONATIONS (Resolution)

Mikkelson stated the City has received the following donations:

Donor	Amount/Item	Designated Fund
Osseo Fire	\$20,000	Fire Truck
Realife Co Op	\$500	Night to Unite

Staff recommended the Council accept the donations.

A motion was made by Hultstrom, seconded by Cook, to adopt Resolution No. 2024-52, accepting a donation from Osseo Fire and Realife Co Op. The motion carried 5-0.

B. APPROVE POLICE KICKBALL GAME SPECIAL EVENT PERMIT

Mikkelson requested the Council approve a special event permit for a police and fire kickball game against Duffy's and Dick's, which would be held on Thursday, September 12 at 6:00 p.m. at Sipes Park.

A motion was made by Schulz, seconded by Cook, to approve the Police Kickball Game Special Event Permit.

Schulz stated he did not believe a special event permit was necessary for this event and he appreciated the fact staff brought this item forward.

The motion carried 5-0.

9. PUBLIC HEARINGS – None

10. OLD BUSINESS – None

11. NEW BUSINESS

A. APPROVE 2025 ALLEY PROJECT ENGINEERING PROPOSAL AND AUTHORIZE FEASIBILITY STUDY- WSB ALYSON FAUSKE

Alyson Fauske, WSB, stated the proposed 2025 Alley Project consists of reconstructing residential alleys located in the following areas:

- The alley surrounded by 3rd St NE, 4th Ave NE, 4th St NE, and 5th Ave NE
- The alley surrounded by 3rd St NE, 5th Ave NE, 4th St NE, and 6th Ave NE
- The alley surrounded by 2nd St NE, 5th Ave NE, 3rd St NE, and 6th Ave NE
- The alley surrounded by 2nd St NE, 6th Ave NE, 3rd St NE, and 7th Ave NE
- The alley surrounded by 1st St NE, 6th Ave NE, 2nd St NE, and 7th Ave NE
- The alley surrounded by Broadway St NE, 5th Ave NE, 1st St NE, and 6th Ave NE,
- The alley surrounded by Broadway St NE, 6th Ave NE, 1st St NE and 7th Ave NE
- The alley surrounded by 3rd St NW, 1st Ave NW, 4th St NW, and Central Ave
- The alley surrounded by 2nd St NW, 1st Ave NW, 3rd St NW, and Central Ave

Ms. Fauske explained the map illustrates the alleys within the proposed project. At the April 22, 2024 work session city council supported staff moving forward with an alley project in 2025. The alleys are proposed to be reconstructed to the existing width; minor adjustments may be recommended during the design phase. As directed by the city council that was in place in 2022, the rights of way needs of these alleys were examined and it was determined that alley easement acquisition is necessary from five parcels in the project area. The recommended easements are eight feet wide and are currently encumbered by the existing alleys. The easement descriptions and exhibits will be provided to the city attorney's office so that they can obtain the easements.

Ms. Fauske reported there are no public utilities within the alleys included in the proposed project. Data from the citywide drainage analysis will be used to evaluate the feasibility of extending storm sewer with this project. A portion of the 2025 alley project is proposed to be funded by special assessments. Assessments for residential properties for the last alley project were 80% of the project costs (based on the city's assessment policy) and ranged from \$4,710 to \$8,550. The feasibility report will include preliminary projects costs and a preliminary assessment roll for each alley within the proposed project. Unless City Council directs otherwise the proposed assessments will be 80% of the project costs. She commented further on the project timeline and requested the Council approve the engineering proposal with WSB and authorize preparation of a feasibility report.

Schulz stated he appreciated how staff was working to ensure the concerns that happened with the last alleyway project do not occur again with this project. He recommended a member of the design team from WSB make frequent visits to the job site. He recommended a high level inspector also be brought in to work with the contractor.

Hultstrom questioned if these alleyways would be replaced with bituminous. Ms. Fauske explained the alleyways proposed for reconstruction were currently bituminous and for consistency purposes, the City would be replacing these with concrete.

Hultstrom asked if the bond funding the City had in place could be used for this project. Ms. Fauske stated if the Council were to move this project forward \$400,000 in bond funding could be used for this project.

Hall reported the inspector WSB was using for the 2024 Street Improvement project was phenomenal and the inspector was communicating well with the residents. He believed this was the way projects should be done in the community. Ms. Fauske stated she appreciated these kind words and noted she would share this feedback with the inspector.

Hultstrom agreed the project supervisor and inspector have been great to work with.

A motion was made by Hultstrom, seconded by Hall, to approve the 2025 Alley Project engineering proposal with WSB as recommended and authorize preparation of a feasibility report. The motion carried 5-0.

B. APPROVE THE JOB DESCRIPTION OF AN ASSISTANT CITY ADMINISTRATOR

Mikkelson stated at the June 24th meeting, we discussed possible ways to reorganize the administrative office. It was decided that the position of Assistant City Administrator should be brought forward. The city previously had the position of Community Management Coordinator. The Assistant City Administrator position would incorporate all the Community Management Coordinator duties and other supervisory responsibilities. This would be a new position created in Administration that will be a full-time, salaried position.

Hultstrom explained she watched the Mayors Minute from Saturday, August 19. She requested the Mayor elaborate on the comments he made.

Poppe stated through previous interviews he had a candidate in mind for this position, but he was uncertain if this individual would apply for the Assistant City Administrator position.

Cook asked what the next step was for the 2025 budget. He asked if the feedback from the worksession meeting would be considered and the budget would be brought back for additional Council discussion. He indicated it appears the Council would like the City Administrator position included in the 2025 budget. He questioned if this position should be approved if it would not be included in the 2025 budget. He asked if it made more sense to table action on this item until a determination has been made on the 2025 budget, regarding this position.

Hall supported tabling this item until the Council has more information on the 2025 budget.

A motion was made by Hall, seconded by Cook, to table action on this item to the September 23, 2024 City Council meeting. The motion carried 3-2 (Schulz and Mayor Poppe opposed).

C. APPROVE POSTING FOR THE ASSISTANT CITY ADMINISTRATOR

A motion was made by Hall, seconded by Hultstrom, to table action on this item to the September 23, 2024 City Council meeting. The motion carried 3-2 (Schulz and Mayor Poppe opposed).

D. APPROVE 2025 WEST MISSISSIPPI JOINT POWERS AGREEMENT

Mikkelson stated the West Mississippi Watershed Management Commission Joint Powers Agreement is presented for consideration and action by the City Council to continue the City's participation in the watershed management organization along with the other cities within land in the watershed. Since the early 1980s, cities in the metropolitan area have been required to manage surface water in accordance with the Metropolitan Water Management Program set out in Minnesota Statutes, sections 103B.201 through 103B.253 ("Act"). To address that requirement, the City, together with the other cities in the watershed, adopted a joint powers agreement in 1984 to form the Watershed Management Commission.

Mikkelson explained the Watershed Management Commission constitutes a joint powers watershed management organization under Minnesota Statutes, section 103B.211, and is authorized to carry out the duties under the Act. Since its formation, the Watershed Management Commission has developed and adopted watershed management plans and assisted with funding water quality and flood control projects throughout the watershed. Additional information on the Watershed Management Commission and its work is provided in the enclosed background sheet. The joint powers agreement has been amended and renewed since its original adoption, with the current agreement expiring on December 31, 2024.

Mikkelson reported the text of the joint powers agreement has not been substantially updated since its original adoption in 1984 when the parties could only speculate about how these newly created watershed management organizations would operate. A lot has been learned since then. The Watershed Management Commission now has decades of operational experience and a long history of successful water projects. The updated joint powers agreement better reflects how the Watershed Management Commission actually operates, removes some of the historic language that is no longer needed, and addresses the current requirements in the statutes and rules. Staff commented further on the terms within the proposed JPA and recommended approval.

Hall commented on the ditch near his home on the south side of the cemetery, noting it was slated to be dredged in 2025. It was his hope the watershed district could assist in levying dollars for this project. However, he indicated he would like to see the cemetery taking better care of their property.

A motion was made by Hall, seconded by Cook, to adopt Resolution No. 2024-53, approving the Joint Powers Agreement with the West Mississippi Watershed Management Commission. The motion carried 5-0.

E. APPROVE 2025 SHINGLE CREEK WATERSHED JOINT POWERS AGREEMENT

Mikkelson stated the enclosed Shingle Creek Watershed Management Commission Joint Powers Agreement is presented for consideration and action by the City Council to continue the City's participation in the watershed management organization along with

the other cities within land in the watershed. He explained this agreement was similar to the agreement considered under New Business 11D, but would be for the Shingle Creek Watershed District. Staff commented further on the terms within the proposed JPA and recommended approval.

Hall explained this watershed district includes more cities and he appreciated the levying power this would create for future projects.

Hultstrom requested the watershed district representatives be invited to attend a future City Council meeting.

A motion was made by Hall, seconded by Hultstrom, to adopt Resolution No. 2024-54, approving the Joint Powers Agreement with the Shingle Creek Watershed Joint Powers Agreement. The motion carried 5-0.

F. APPROVE 2024 HENNEPIN COUNTY MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN

Mikkelson stated this Plan aims to identify the county's major hazards, assess the vulnerability, and reduce risk using various data and best practice measures to implement mitigation projects. This Plan identifies goals, objectives, recommended actions, and costs by reviewing and working on initiatives with each county jurisdiction or partner to reduce and/or prevent injury and damage from hazardous events. The Plan intends to provide unified guidance for coordinating mitigation efforts prior to or following a major emergency/disaster by implementing an ongoing comprehensive county hazard mitigation strategy intended to reduce the impact of loss of life and property due to the effects of natural hazards. We have collaborated with Hennepin County Emergency Management to include any Hazard Mitigation issues in Osseo to this Plan. It was noted this Plan includes each jurisdiction in Hennepin County. Staff commented further on the proposed mitigation plan and recommended approval.

Hall asked if the City had an emergency preparedness director. Mikkelson stated he served the City in this capacity.

A motion was made by Hall, seconded by Hultstrom, to approve Hennepin County's Multi-Jurisdictional Hazard Mitigation Plan. The motion carried 5-0.

G. APPROVE SERVICE CONTRACT WITH VOYAGEUR CANNABIS SERVICES

Mikkelson stated with the City's interest in creating a Municipal Cannabis Retail business, we have contacted a group called Voyageur Cannabis Services to assist the city in this endeavor. At the July 29th work session, Patrick Hurley from Voyageur Cannabis Services gave a presentation. After that presentation, I was asked to bring a contract back to the council from Voyageur at the August 12th council meeting. We were unable to get the contract finished in time for that meeting. We have received the contract from Voyageur, and the City Attorney has reviewed and sent back edits. We feel that the contract deliverables and contract costs would stay the same if we brought a finalized contract to the council at a future meeting. We are asking the council to give staff your thoughts on the costs and deliverables and give staff and the City Attorney authorization to complete the agreement.

Schulz asked if Voyageur has reviewed this version of the contract. City Attorney Tietjen explained Voyageur was provided this version of the contract a week and a half ago. She reported if Voyageur were to come back with substantive changes, this agreement would come back to the City Council for further consideration.

Hall stated he did not support approving this contract until the City hears back from Voyageur and a final draft of the contract could be completed by staff. City Attorney Tietjen stated this would be an option for the City Council. She indicated the contract was brought forward by staff given the fact he was concerned about timing.

Hall questioned if it would be possible to have a final draft of the contract by the next City Council meeting. Mikkelson stated he has asked for a final draft of the contract and he was uncertain of the turnaround time on Voyageur's part.

Hultstrom supported the City Council waiting to take action on this item until the contract was in its final form.

Schulz indicated the Council could approve the draft contract, which would acknowledge the City Council's agreement with the revisions and then a final negotiated contract could be brought back at a future meeting.

Hall stated he had concerns with Item 3 regarding the detailed business plan. He believed at one of the Council meetings it was stated by Councilmember Schulz that the City has a business plan already in place.

Schulz explained he was not referencing a specific business plan, but rather was referencing a document that was before the City Council.

Hall reported being on the cannabis committee, this was the first time he was seeing this contract. He was of the opinion, this contract should have gone to the cannabis committee for comment before coming to the City Council for approval.

Schulz indicated this was the first time he was seeing this contract as well. He commented he believed this contract should be reviewed and discussed by the full Council along with the expertise of the City Attorney.

Cook asked what the City Attorney needed to move this item forward. City Attorney Tietjen explained the City Council did not need to approve a draft agreement, in her opinion. She indicated the contract would not be legal and binding until the final agreement came before the City Council for consideration. She suggested the Council postpone action on this item until a final negotiated agreement was in place.

A motion was made by Schulz, seconded by Cook, to postpone action on this item until a final negotiated agreement was in place, noting the City Council was in agreement with the draft contract as presented. The motion carried 3-2 (Hall and Hultstrom opposed).

H. APPROVE ACCOUNTS PAYABLE

Mikkelson reviewed the Accounts Payable with the Council.

Hall clarified Center Point Energy provides electricity to the City and not gas. He questioned why the City spent \$1,500 on light bulbs. Public Works Director Waldbillig explained he ordered LED lights and bollards for Central Avenue.

Hall asked if the police department members were using the Any Time Fitness membership. Mikkelson stated he would check on this and would report back to the City Council.

Hall requested further information regarding the water bill from the city of Maple Grove. Mikkelson indicated he would take a look at this and could report back to the City Council.

Hall explained the City was spending \$379 in electricity for the gateway sign on a monthly basis. He questioned if the City was gaining \$379 a month in revenue for the gateway sign. Mikkelson reported the City was taking in more than \$379 per month for the gateway sign.

Further discussion ensued regarding the manner in which the police and fire purchase gas.

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

12. ADMINISTRATOR REPORT – None

13. COUNCIL AND ATTORNEY REPORTS

Hultstrom reported she was happy with the outcome of the street project and noted she has not heard any complaints. She thanked WSB for their tremendous efforts.

Hultstrom stated the comments made during Matters from the Floor were concerning to her. She hoped the City Council would be able to come together to discuss this matter at a closed session in the near future.

Hall explained the playground equipment at the elementary school was now in place and looks phenomenal.

Hall commented on how he voted against hooking up to Maple Grove water when this matter came before the City Council in the past, noting he did not have enough information on the topic at the time. He discussed how the City's water pressure has improved since hooking up to Maple Grove water.

Cook thanked the City Council for welcoming him and noted he was very excited to have the opportunity to serve the City of Osseo.

Hall and Cook welcomed Brandon Khemraj as an Osseo Police Reserve Officer.

14. ANNOUNCEMENTS

Poppe stated the farmers market would be held next on Tuesday, August 27 and Tuesday, September 3 from 3:00 p.m. to 6:30 p.m.

Poppe reported City Hall would be closed on Monday, September 2 for Labor Day.

Poppe invited the public to attend the Osseo Police/Fire kickball game, which would be held on Thursday, September 12 at 6:00 p.m. at Sipes Park.

15. ADJOURNMENT

A motion was made by Hultstrom, seconded by Hall, to adjourn the City Council meeting at 8:13 p.m. The motion carried 5-0.

Respectfully submitted,

Heidi Guenther
Minute Maker Secretarial