

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
January 13, 2025**

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, January 13, 2025.

2. OATHS OF OFFICE – Mayor Duane Poppe and Councilmember Nicholas Torres

City Attorney Tietjen administered the Oath of Office to Mayor Duane Poppe and newly elected Councilmember Nicholas Torres. A round of applause was offered by all in attendance.

3. ROLL CALL

Members present: Councilmembers Mark Schulz, Nicholas Torres and Mayor Duane Poppe.

Members absent: Councilmembers Mark Cook and Juliana Hultstrom

Staff present: City Administrator Shane Mikkelson, Assistant City Administrator Alicia Vickerman and City Attorney Mary Tietjen.

Others present.

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 Torres, to accept the Agenda as presented. The motion carried 3-0.

6. CONSENT AGENDA

- A. Receive EDA Minutes of December 9, 2024
- B. Receive Planning Commission Minutes of December 16, 2024
- C. Approve Council Minutes of December 9, 2024
- D. Receive November American Legion Post 172 Gambling Report
- E. Receive November NW Area Jaycees Gambling Report
- F. Receive November Osseo Lions Club Gambling Report
- G. Receive November Osseo Maple Grove Hockey Association Gambling Report
- H. Receive November Osseo Fire Relief Association Gambling Report
- I. Receive Osseo Fire Department Monthly Activity Report-November 2024

- J. Receive Osseo Fire Department Monthly Activity Report-December 2024
- K. Approve Police Department Training List 2025
- L. Accept IRS Mileage Rate of 70 Cents for 2025 Business Miles Driven
- M. Approve Hire of Seasonal Rink Attendant Sharon Solorzano
- N. Approve Training for Councilmember Nicholas Torres

A motion was made by Schulz, seconded by Torres, to approve the Consent Agenda. The motion carried 3-0.

7. MATTERS FROM THE FLOOR – None

Kenny Nelson, 509 Third Avenue NE, congratulated Mayor Poppe and Councilmember Torres for being elected to the City Council. He asked that the City Council consider an ordinance change to address the parking of commercial vehicles over a certain tonnage on residential lots. While he understood ordinance changes were expensive, he recommended the Council consider making a change in order to be less discriminatory.

8. SPECIAL BUSINESS

A. APPROVE LIQUOR LICENSE FOR JLM4, LLC DBA DICK’S BAR (NEW OWNERSHIP)

Mikkelson stated JLM4 LLC, dba Dick’s Bar & Grill, located at 205 Central Avenue has submitted their purchase agreement, dated 12/10/2024, and liquor license applications for continued business in the current Dick’s Bar & Grill location. He reported all necessary paperwork and fees have been submitted to the City. It was noted the new owner has applied for the following liquor licenses for the remaining license period through June 30th, 2025:

On Sale Intoxicating Liquor -	\$6,000
On Sale Sunday -	\$ 200
Off Sale Intoxicating Liquor -	\$ 240
On Sale Wine -	\$ 650

Poppe opened the meeting for public comment. There were no comments from the public.

A motion was made by Torres, seconded by Schulz, to approve the new liquor license for JLM4 LLC dba Dick’s Bar & Grill. The motion carried 3-0.

B. APPROVE TOBACCO LICENSE FOR AKWA NASS, LLC DBA DOWNTOWN OSSEO TOBACCO SHOP

Mikkelson stated Mohamed Lulu, owner, applied for a new tobacco and edible cannabinoid products license for AKWA NASS LLC, doing business as Downtown Osseo Tobacco Shop, located at 529 Central Avenue. He did not indicate any other tobacco establishments that he is interested in and will be the manager overseeing daily operations. Zoning was reviewed and approved by the Assistant City Administrator for this address location. The Police Department has conducted a background investigation for the owner, which was clear. Staff collected fees per city code for the license period valid through June 30th, 2025. The applicant may be in attendance for the meeting for

any Council questions. The Council should also allow for public comment to consider approval of the licenses for AKWA NASS LLC.

Poppe opened the meeting for public comment. There were no comments from the public.

A motion was made by Schulz, seconded by Torres, to approve the new tobacco and edible cannabinoid products licenses for AKWA NASS LLC dba Downtown Osseo Tobacco Shop. The motion carried 3-0.

C. SUPPORT A RESPECTFUL WORKPLACE (Resolution)

Mikkelson requested the Council adopt a Resolution supporting a respectful workplace.

A motion was made by Torres, seconded by Schulz, to adopt Resolution No. 2025-01, supporting a respectful workplace. The motion carried 3-0.

D. APPROVE 2025 CITY APPOINTMENTS AND DESIGNATIONS (Resolution)

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

Consultant Appointments

Assessor – Hennepin County

Attorneys – Mary D. Tietjen (Kennedy & Graven) for Civil Services and Berglund, Baumgartner, Kimball and Glaser 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 – Rum River Consultants

Other Appointments

Assistant Weed Inspector – Ryan Swanson

Data Practices Compliance Officer – Natalie Santillo

Data Practices Responsible Authority – Shane Mikkelson

Northwest Community Television Board of Directors – Shane Mikkelson

Northwest Suburbs Cable Communications Commission – Shane Mikkelson

Northwest Suburbs Cable Coordinators Committee – Alicia Vickerman

Sewer Inspector – Nick Waldbillig
Zoning Administrator – Alicia Vickerman

Other Designations

Official Newspaper -- The Press
Secondary Newspaper – Star Tribune

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

Other:

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

Schulz explained he was interested in serving as the representative for the Northwest Suburban Cable Communications Commission.

A motion was made by Schulz, seconded by Torres, to adopt Resolution No. 2025-02, adopting 2025 City Appointments and Designations with the noted change. The motion carried 3-0.

E. AFFIRM COUNCIL/STAFF RESPONSIBILITIES (Resolution)

Mikkelson requested the Council adopt a Resolution affirming Council/staff responsibilities.

A motion was made by Torres, seconded by Schulz, to adopt Resolution No. 2025-03, affirming Council/Staff Responsibilities. The motion carried 3-0.

F. OSSEO 150TH CELEBRATION UPDATE – Presented by Carole Larson

Carole Larson provided the Council with an update on Osseo's 150th Celebration. She explained the kickoff event would be the baking contest. She reviewed events being planned for 2025, one month at a time and noted City merchandise was now being sold. She commented on the amount of material that had been collected for the book noting the group already had 200 pages of material. She hoped to have the book heading to the publisher in February. She thanked the business community for their feedback, participation and enthusiasm. She asked that the Council consider offering a motion to support the efforts of the 150th Celebration Committee.

Poppe thanked Ms. Larson and the 150th Celebration Committee members for all of their efforts. He stated he was really looking forward to participating in the events being planned, noting it was going to be a great year. A round of applause was offered by all in attendance.

G. ACCEPT DONATION (Resolution)

Mikkelson stated the City has received the following donations:

<u>Donor</u>	<u>Amount/Item</u>	<u>Designated Fund</u>
Osseo Police & Fire Staff	\$30	Shop with a Cop Event
Holiday Station Store-Osseo	\$205	Shop with a Cop Event
Masonic Lodge/Eastern Star	\$500	Shop with a Cop Event

Staff recommended the Council accept the donations.

A motion was made by Schulz, seconded by Torres, to adopt Resolution No. 2025-04, accepting a donation from the Osseo Police and Fire Staff, Holiday Station Store-Osseo and the Masonic Lodge/Eastern Star. The motion carried 3-0.

9. PUBLIC HEARINGS – None.

10. OLD BUSINESS

A. NORTH OAKS DITCH DREDGING UPDATE – Alyson Fauske, WSB

Alyson Fauske, WSB, stated in the fall of 2023 City Council authorized the preparation of plans to dredge the North Oaks ditch. Work completed to date includes site survey, site visit, identifying tributary areas, designing the cross section design, and coordination with the Department of Natural Resources (DNR) and the West Mississippi Watershed Management Commission (WMWMC). The project is eligible for a 50/50 cost share with WMWMC if the project will improve water quality. There is no evidence of erosion in the ditch for a vegetation and sediment removal project to qualify for the cost share. To meet the water quality requirement the project would need to include the addition of a stilling basin or other features in order to be eligible for cost share with WMWMC.

Ms. Fauske reported the estimated additional city cost to meet water quality improvements equals the cost share that would be received from WMWMC. Staff looked at an option to alter the project to qualify for the WMWMC cost share. This option would add the tributary ditch along the north side of the homes on 3rd Street NE (between ISD 279's Osseo Education Center and 9th Avenue NE) and the west side of the Osseo Education Center. A potential future storm sewer improvement to this ditch would extend from the intersection of 3rd Street NE and 7th Avenue NE. Removal of sediment and vegetation of the ditch shown in red would not qualify for WMWMC cost share because there is no evidence of erosion in the ditch. Construction of a stilling basin or other feature in this ditch would be necessary to qualify for the WMWMC cost share.

Ms. Fauske explained Council direction is requested as to whether to proceed with a maintenance project (i.e. removal of sediment and vegetation), or a maintenance and

water quality improvement project for the North Oaks ditch. A maintenance project would require a rights of entry from 616, 624 and 625 North Oaks Drive. If a water quality project is pursued drainage and utility easements would need to be acquired from St. Vincent de Paul cemetery. Staff commented further on the proposed project and discussed the alternatives for the Council to consider.

Torres asked if the numbers reflected the cost of the easements. Ms. Fauske reported the numbers do not include any cost for easement acquisition. She explained she was assuming easements would require paperwork and would not be a taking.

Torres stated it appears the maintenance project would cost the City \$125,000. He questioned what the total cost would be for the water quality project. Ms. Fauske explained the total project cost would be \$250,000 to \$300,000 and the City would be responsible for 50%.

Torres reported this meant both projects would cost the City the same amount and the water quality project would bring about enhancements.

Schulz explained there was vegetation within the ditch and inquired how the ditch has performed since it was last time it was cleaned. Ms. Fauske stated she could look into this noting she did not have this information in front of her.

Schulz commented he supported the City looking into the stilling basin for water quality purposes. He stated it appears there was support from the watershed district if the City were to move in this direction. He questioned if one or two stilling basins would be installed. Ms. Fauske anticipated two stilling basins would be installed based on the length of the ditch.

Poppe asked how often the basins would have to be cleaned. Ms. Fauske anticipated the upstream basin would require more maintenance than the other. She guessed that maintenance would be required once every 20 years.

Council consensus was to direct staff to pursue a water quality project for the North Oaks ditch.

11. NEW BUSINESS

A. APPROVE FIRST READING OF CANNABIS ZONING ORDINANCE

Mikkelson stated with the State of Minnesota legalizing cannabis and hemp sales, the City of Osseo had options to amend its zoning code in different ways. At the 09/16/2024 and 11/18/2024 Planning Commission meetings, questions were asked of the commission how to proceed with any zoning amendments. At the December 16th Planning Commission meeting, the current draft ordinance was recommended for approval by the Osseo City Council for reading and final adoption.

City Attorney Tietjen reported the Planning Commission held a public hearing on the proposed cannabis zoning ordinance. She further reviewed the proposed ordinance and recommended the Council approve the first reading.

Schulz asked if the cannabis retail business was only for CBD or would this be allowed in the C-2, Highway Commercial District. City Attorney Tietjen explained the way the code reads, is anything allowed in the Highway Commercial, is also allowed in the Central Business District.

Schulz commented he wanted to be assured retail was allowed in the C-2 District. City Attorney Tietjen stated she would review the language to make sure this is allowed.

Further discussion ensued regarding what would happen if a daycare were to open up less than 250 feet from an existing cannabis retail shop. The Council supported adding the word existing before the word daycare within the ordinance.

A motion was made by Schulz, seconded by Torres, to approve the First Reading of the updates to the Osseo Zoning Code in relation to Cannabis and Hemp Businesses as amended.

Schulz thanked the Planning Commission for their efforts on this ordinance.

The motion carried 3-0.

B. APPROVE 2025 OFFICIAL COUNCIL APPOINTMENTS (Resolution)

Mikkelson stated each year the City Council should discuss the various appointments to Council committees and other boards. I recently sent an email to the full Council asking for Council preferences to the committees and boards and included a short description for each. Council members were encouraged to respond to my 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. The Council appointments as of September 9, 2024 are as follows:

Council Appointments

Acting Mayor	Juliana Hulstrom
Alternate Acting Mayor	Mark Schulz
Economic Development Authority	Mark Schulz, Duane Poppe & Mark Cook
Fire Relief Association	Juliana Hultstrom, Mark Cook
Historical Preservation Committee	John Hall
Weed Inspector	Duane Poppe

Council Committee Appointments

Arts & Communications Committee	Mark Schulz
Budget & Finance Committee	Mark Schulz & Duane Poppe
Human Resources Committee	Duane Poppe & Mark Schulz
Intergovernmental Relations Committee	John Hall & Juliana Hultstrom
Parks & Recreation Committee	John Hall
Public Safety Advisory Committee	Mark Cook & John Hall
Risk Management Committee	Mark Schulz & Mark Cook
Cannabis Committee	Mark Schulz & Mark Cook

Poppe read through the Council appointments as they have been discussed by the Council for 2025:

Council Appointments

Acting Mayor	Mark Schulz
Alternate Acting Mayor	Juliana Hultstrom
Economic Development Authority	Nick Torres, Mark Schulz, Duane Poppe & Mark Cook
Fire Relief Association	Juliana Hultstrom & Mark Cook
Historical Preservation Committee	Nick Torres
Weed Inspector	Duane Poppe

Council Committee Appointments

Arts & Communications Committee	Nick Torres & Mark Schulz
Budget & Finance Committee	Mark Schulz & Duane Poppe
Human Resources Committee	Nick Torres & Mark Schulz
Intergovernmental Relations Committee	Nick Torres & Juliana Hultstrom
Parks & Recreation Committee	Mark Cook & Nick Torres
Public Safety Advisory Committee	Nick Torres & Juliana Hultstrom
Risk Management Committee	Mark Schulz & Duane Poppe
Cannabis Committee	Mark Schulz & Mark Cook

Poppe explained there were two openings as this time, an opening on the Arts & Communications Committee and the Parks and Recreation Committee.

Schulz asked if Councilmember Torres would consider serving on the Parks & Recreation Committee. He noted this group typically meets four or five times per year. He reported he would be willing to serve on the Arts & Communications Committee.

Torres stated he would be willing to serve on the Parks & Recreation Committee.

A motion was made by Schulz, seconded by Torres, to adopt Resolution No. 2025-05, appointing City Councilmembers to the various committee positions as discussed. The motion carried 3-0.

C. APPROVE RUM RIVER CONSULTANTS CONTRACT

Mikkelson stated Rum River Consultants have contracted with the City of Osseo to run the rental Housing Inspection Services Program since 2022. The current contract ended in December 2024. This would be a renewal of that contract. The contract would begin upon approval and signing and has a 60-day notification needed to end the contract. Rum River Consultants will act as an independent contractor and carry the necessary insurance to perform the work outlined in the contract. The City will collect license and inspection fees from property owners and compensate Rum River Consultants 75% of those collected fees.

A motion was made by Torres, seconded by Schulz, to approve the Renewal Contract with Rum River Consultants for the rental housing inspection program. The motion carried 3-0.

D. DISCUSS PROPOSAL FOR STATE BONDING REQUEST

Vickerman stated the City of Osseo has been unable to receive state funds allocated for infrastructure and community projects in 2023 and 2024. Staff recently met with State Senator Susan Pha to discuss upcoming Legislative funding opportunities for 2025. The senator advised staff to work with council and submit bonding requests for \$1.6 Million in state funds, without matching funds from the city, as well as a request with matching funds from the city. After discussion with the Budget and Finance Committee, it was determined that a third request should be drafted asking for every major project the City of Osseo needs. This is an opportunity to ask for every project that could be completed in a 2-year time period and encompasses the largest and most impactful projects Osseo could pursue. Staff commented further on the potential bonding requests and requested direction from the Council on how to proceed.

Torres asked how requests were considered by the legislature. Mikkelson stated the City was in line to receive \$1.6 million on two separate occasions from the State and there was talk about an early bonding bill for 2025, which was why staff had this item before the City Council. He discussed how matching funds typically help cities with receiving State funding.

Schulz thanked staff for their efforts on this matter. He indicated this was an important step for the City with the State legislature. He stated he understood it was a lengthy and difficult process to ask the State for funding. He explained he supported the City putting the requests forward versus making no request.

Poppe appreciated the formal process that was being pursued by the City.

Schulz asked if staff needed a letter of support from the City Council. Vickerman indicated she did need a Resolution supporting which option to move forward.

Schulz indicated he supported each of the three requests that were brought forward by staff.

Torres and Poppe also offered the three requests.

Mikkelson thanked the Council for their support.

E. APPROVE INSURANCE OPT-OUT MOU-POLICE

Mikkelson stated in the 2025 budget, the Opt-Out for Health insurance payment was changed from \$600 per month to \$1,475 per month. Since the intent was for all employees to have this benefit the police officers were affected. The city and the police officer union, Law Enforcement Labor Services, are currently in the third year of a three-year contract with them. After speaking with the union representation, the easiest way to allow the officers to participate in this new opt-out payout is to have a MOU drafted and signed. The MOU is in the packet for review. It has also been reviewed by our City Attorney.

Torres asked if the union would see this change as favorable. Mikkelson stated this change would be viewed as favorable by the union.

A motion was made by Schulz, seconded by Torres, to approve the Memorandum of Understanding for the Opt Out Payout for Health Insurance. The motion carried 3-0.

F. APPROVE JOINT POWERS AGREEMENT RENEWAL FOR EMBEDDED SOCIAL WORKER

Mikkelson stated the embedded Social Worker Program has been the only way Osseo can afford to have access to an on-call Social Worker. The program is in response to the growing numbers of mental health calls for service that law enforcement has been encountering in the last few years. This program has given our officers access to Social Workers at the Hennepin County Emergency Communications Center when we have a Mental Health crises. We have made 50 referrals to the Social Worker Program since June of 2023. These Social Workers have assisted our officers with some real-time information, gave officers information on best practices and offer help to those in Mental Health Crises. This program has laid the groundwork for future expansion and hopefully agreements to provide these services to all of Hennepin County in the future. It was noted this agreement has been reviewed and approved by the City Attorney's Office.

Torres commented on the importance of mental health and stated it was great the City was renewing this agreement.

Schulz explained this agreement provided special services to the Osseo Police Department and for Osseo residents.

A motion was made by Torres, seconded by Schulz, to approve the Joint Powers Agreement with Hennepin County for the Embedded Social Worker as written. The motion carried 3-0.

G. APPROVE ACCOUNTS PAYABLE

Mikkelson reviewed the Accounts Payable with the Council.

A motion was made by Schulz, seconded by Torres, to approve the Accounts Payable as presented. The motion carried 3-0.

12. ADMINISTRATOR REPORT – None

13. COUNCIL AND ATTORNEY REPORTS

Torres thanked the public for supporting him and allowing him to serve the community. He stated he hoped he could meet the expectations that got him into this position. He thanked the people of Osseo for voting him onto the City Council. He explained he was looking forward to working with staff and the City Council, noting he was looking forward to the future.

Schulz welcomed Councilmember Torres to the City Council. He congratulated the Mayor for being reelected. He stated he was looking forward to another great year on the Council.

14. ANNOUNCEMENTS

Poppe stated City Hall would be closed on Monday, January 20 for Martin Luther King, Jr. Day.

Poppe reported the City needed volunteers interested in serving as a Commission member. Those interested were encouraged to contact City Hall for further information.

15. ADJOURNMENT

A motion was made by Schulz, seconded by Torres, to adjourn the City Council meeting at 8:39 p.m. The motion carried 3-0.

Respectfully submitted,

Heidi Guenther
Minute Maker Secretarial