

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA
JANUARY 12, 2015

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, January 12, 2015 at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Veum, Hoialmen, Anderson and Dufault. Also present was Dave Larson, Karen Graham, Ken Buchanan, Lee Cariveau, Sheriff Erdman, Deputy Bellamy, Ed Lavelle.

Motion was made by Hoialmen seconded by Veum to approve the agenda with the following modifications: Motion carried by unanimous vote.

- A) Consider acceptance of proposal for sidewalk study from Widseth, Smith Nolting.
- B) Consider request from Allen Potvin to pay \$300 for abstract.
- C) Consider allowing Fire Department to conduct a controlled burn on the Orville Aspen house for training purposes.

Motion was made by Hoialmen seconded by Veum to approve Consent Agenda items A – H. Motion carried by unanimous vote.

- A) To approve the minutes of the regular meeting held December 8, 2014 as per copies furnished each member.
- B) To approve Accounts Payable Bill Listing #15-01 in the amount of \$74,739.62 (2014 Payables), \$15,193.26 (2015 Payables); and AP Bill Listing #15-01A in the amount of \$2,210,910.30..
- C) Resolution Designating Official Depositories for City Funds
- D) Resolution Appointing 2015 Boards and Commission members
- E) Resolution Approving Collateral Pledged by Depositories
- F) Resolution Approving Surety Bond for City Administrator
- G) Resolution Designating The Thirteen Towns as the Official Newspaper
- H) Approve 2015 Cigarette Licenses and Non-Intoxicating Malt Liquor Licenses for 2015

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION DESIGNATING OFFICIAL DEPOSITORY
AND SUPPLEMENTAL DEPOSITORIES
RESOLUTION NO. 15-1**

WHEREAS, Minnesota Statutes Section 118 sets forth the procedures for the deposit of Public Funds and it is necessary for the Fosston City Council or the Treasurer or Chief Financial Officer to annually designate a bank as the official depository for City funds and manage the collateral pledged to such funds; and

WHEREAS, the First National Bank, American Federal Bank and the Ultima Bank Minnesota are now the official depositories; and

WHEREAS, other financial institutions from time to time have offered to pay the City of Fosston interest rates on deposits which are greater than can be obtained by other investments.

NOW THEREFORE BE IT RESOLVED, that the City of Fosston City Council does hereby designate the First National Bank, American Federal Bank and the Ultima Bank Minnesota as the City's official depositories for 2013.

BE IT FURTHER RESOLVED, that the 4M Fund be designated as additional depositories for 2015 for investment purposes only; and

BE IT FURTHER RESOLVED, that checks of the City of Fosston drawn on any of the official depositories shall be signed by the following officers:

James Offerdahl, Mayor

Charles Lucken, City Administrator

BE IT FURTHER RESOLVED, that the City Administrator is authorized to use a facsimile signature stamp at such time as it becomes necessary for Mayor James Offerdahl, and

BE IT FURTHER RESOLVED, that the City Administrator shall have authority to wire transfer funds from one official depository to another for the purpose of investing City funds, and

BE IT FURTHER RESOLVED, that the Treasurer of the City of Fosston is hereby designated as the approval authority for the acceptance and release of all collateral to be held by the City in conjunction with City Funds on deposit with authorized institutions.

The motion for the adoption of the foregoing resolution was duly seconded by member Veum and upon vote being taken thereon the following members voted in favor thereof: Veum, Hoialmen, Anderson, Dufault and Offerdahl

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 12th day of January, 2015.

James Offerdahl, Mayor

Attest:

Charles Lucken, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**CITY OF FOSSTON
COUNTY OF POLK**

STATE OF MINNESOTA

RESOLUTION NO. 15-02

A RESOLUTION APPOINTING 2015 BOARDS & COMMITTEES

WHEREAS, the City Council annually appoints individuals to serve in an advisory capacity on various boards and commissions;

WHEREAS, Included is the designation of Acting Mayor and appointment of City Council members and staff to various committees;

THEREFORE, BE IT RESOLVED: The City Council does hereby make the following annual appointments:

See Exhibit A

The motion for the adoption of the foregoing resolution was duly seconded by member Veum and upon vote be taken thereon the following voted in favor thereof: Veum, Dufault, Anderson, Hoialmen and Offerdahl

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 12th day of January, 2015.

James Offerdahl, Mayor

Attest:

Charles Lucken, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION DESIGNATING OFFICIAL DEPOSITORY
AND SUPPLEMENTAL DEPOSITORIES
RESOLUTION NO. 15-03**

WHEREAS, Minnesota Statutes Section 118 sets forth the procedures for the deposit of Public Funds and it is necessary for the Fosston City Council or the Treasurer or Chief Financial Officer

to annually designate a bank as the official depository for City funds and manage the collateral pledged to such funds; and

WHEREAS, the First National Bank, American Federal Bank and the Ultima Bank Minnesota are now the official depositories; and

WHEREAS, other financial institutions from time to time have offered to pay the City of Fosston interest rates on deposits which are greater than can be obtained by other investments.

NOW THEREFORE BE IT RESOLVED, that the City of Fosston City Council does hereby designate the First National Bank, American Federal Bank and the Ultima Bank Minnesota as the City's official depositories for 2013.

BE IT FURTHER RESOLVED, that the 4M Fund be designated as additional depositories for 2011 for investment purposes only; and

BE IT FURTHER RESOLVED, that checks of the City of Fosston drawn on any of the official depositories shall be signed by the following officers:

James Offerdahl, Mayor

Charles Lucken, City Administrator

BE IT FURTHER RESOLVED, that the City Administrator is authorized to use a facsimile signature stamp at such time as it becomes necessary for Mayor James Offerdahl, and

BE IT FURTHER RESOLVED, that the City Administrator shall have authority to wire transfer funds from one official depository to another for the purpose of investing City funds, and

BE IT FURTHER RESOLVED, that the Treasurer of the City of Fosston is hereby designated as the approval authority for the acceptance and release of all collateral to be held by the City in conjunction with City Funds on deposit with authorized institutions.

The motion for the adoption of the foregoing resolution was duly seconded by member Veum and upon vote being taken thereon the following members voted in favor thereof: Veum, Hoialmen, Anderson Dufault and Offerdahl

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 12th day of January, 2015.

James Offerdahl, Mayor

Attest:

Charles Lucken, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**CITY OF FOSSTON
COUNTY OF POLK
STATE OF MINNESOTA**

RESOLUTION NO. 15-04

A RESOLUTION APPROVING COLLATERAL PLEDGED

WHEREAS, the City Council annually approves the collateral pledged by the official depositories of city funds;

THEREFORE, BE IT RESOLVED: The Council of the City of Fosston hereby approves the following collateral pledged:

First National Bank	\$ 1,150,000
American Federal Bank	\$ 250,000
Ultima Bank Minnesota	\$1,450,000

The motion for the adoption of the foregoing resolution was duly seconded by member Veum and upon vote being taken thereon the following members voted in favor thereof: Veum, Hoialmen, Anderson, Dufault and Offerdahl

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 12th day of January, 2015.

James Offerdahl, Mayor

ATTEST:

Charles Lucken, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**CITY OF FOSSTON
COUNTY OF POLK
STATE OF MINNESOTA**

RESOLUTION NO. 15-05

A RESOLUTION APPROVING TREASURER'S SURETY BOND

WHEREAS, the City Council annually approves a surety bond in the amount of \$100,000 for the Treasurer (City Administrator) as required by Auditor of Polk County and the State of Minnesota;

THEREFORE, BE IT RESOLVED: The Council of the City of Fosston hereby approves a surety bond for the Treasurer in the amount of \$100,000.

The motion for the adoption of the foregoing resolution was duly seconded by member Veum and upon vote being taken thereon the following members voted in favor thereof: Veum, Hoialmen, Anderson, Dufault and Offerdahl

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 12th day of January, 2015.

James Offerdahl, Mayor

ATTEST:

Charles Lucken, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**CITY OF FOSSTON
COUNTY OF POLK
STATE OF MINNESOTA
RESOLUTION NO. 15-06**

**A RESOLUTION DESIGNATING THE THIRTEEN TOWNS
AS THE OFFICIAL NEWSPAPER**

WHEREAS, the City Council annually designates a local publication as the City's official newspaper;

THEREFORE, BE IT RESOLVED: The City of Fosston designates **The Thirteen Towns** as the Official Newspaper.

The motion for the adoption of the foregoing resolution was duly seconded by member Veum and upon vote being taken thereon the following members voted in favor thereof; Veum, Hoialmen, Anderson, Dufault and Offerdahl

And the following voted against same: None

Whereupon said resolution was declared passed and adopted this 12th day of January, 2015.

James Offerdahl, Mayor

ATTEST:

Charles Lucken, City Administrator

2015 APPLICATIONS TO SELL TOBACCO & TOBACCO PRODUCTS AT RETAIL
\$12.00 EACH

American Legion Club	Wayne Bouchard
Venture's Bar & Grill	Jesse Manecke
LePier's East	Larry LePier
LePier's West	Larry LePier
Palubicki's, Inc.	Leah Hemmingsen
Palubicki's Express	Leah Hemmingsen
Fosston Off-Sale	Dale Disrud

NON-INTOXICATING LIQUOR LICENSE – OFF/ON SALE

LePier's West	Off Sale - \$50.00
LePier's East	3.2 On - \$50.00

SPECIAL SUNDAY LIQUOR LICENSE

COMMITTEES/BOARDS/COMMISSION:

Law Enforcement: Sheriff Barb Erdman was present as well as Deputy Bellamy who is one of Fosston's contract deputies.

- The Sheriff informed Council that the contract deputies have adjusted their schedules so they will be able to attend council meetings regularly.
- A Public Safety meeting will be scheduled early this year.
- On occasion deputies will do an evening walk through the Civic Center.
- Law Enforcement has tried to be more visible as that is quite effective.

Streets/Sanitation/Utilities: Dave Larson reported on matters pertaining to his departments:

- Repairs to the garbage truck were made.
- The dump box on an old dump truck was relined by city crews with new steel. Another truck and a transmission changed.
- Samples coming from the IPF are getting better. Biogas production is coming back up.
- J & R Wastewater was in town in December and squeegeed some lines that were full of roots.
- Larson gave a brief history of our natural gas service in Fosston that began in 1997. We have about 41 miles of pipe to maintain and 608 services have been installed. MDV is our largest gas consumer at 44%.

Civic Center/Parks & Recreation: Karen Graham was present to report on matters pertaining to her department:

- A chlorine feeder was ordered with installation expected the end of January. The cost on this is around \$4,800.00.
- Over the Christmas break there was a sewer backup at the Civic Center. All Round Plumbing was called and serviced the lines. There was about 3" of black sludge to be cleaned up. Bagley kids were not able to have their swim day at the Civic Center as planned.
- During the short power outage this morning it was discovered that the emergency lights in the pool area of the Civic Center did not come on. Al's Electric will be replacing these.
- New ceiling tiles will be priced out.
- Gregg Roragen is doing a nice job maintaining the skating rink and it is being well used.
- The grant application for the sports complex will be resubmitted within the next couple of months.

Hospital: There was a short meeting in December

Bus: The camera system should be installed in the next couple weeks.

Community/Economic Development: The EDA met today. We now have possession of the old Taflin Building and will advertise for proposals on that property after the building is demolished.

The Public Hearing to gather input on the Small Cities Grant Application to the Minnesota Department of Employment and Economic Development (DEED) was opened at 7:00 p.m. There were no members of the public present for this hearing. Ken Buchanan was present to discuss a final application. The app is due February 26th and will be awarded in April or May. The amount is \$174,570 and is for Single Family Rental Occupied Housing rehab.

Member Hoialmen introduced the following resolution and moved its adoption:

**Local Government Resolution Approving Small Cities Development Program
Application and Authorizing Execution of Agreement
Resolution No. 15-07**

BE IT RESOLVED, that the City of Fosston act as the legal sponsor for the project contained in the Application to be submitted on February 26, 2015 and that the Mayor and City Administrator are hereby authorized to apply to the Minnesota Department of Employment and Economic Development (DEED) for funding of this project on behalf of the City of Fosston.

BE IT FURTHER RESOLVED, that the City of Fosston has the legal authority to apply for financial assistance, and the institutional, managerial and financial capability to ensure adequate construction, operation, maintenance and replacement of the proposed project for the design life.

BE IT FURTHER RESOLVED that the City of Fosston has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED, that upon approval of its application by the State, the City of Fosston may enter into an agreement with the State of Minnesota for the approved project, and that the City of Fosston certifies that it will comply with all applicable laws and regulations as stated in all contract agreements.

NOW, THEREFORE BE IT RESOLVED, that the Mayor and City Administrator, or their successors in office, are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the project on behalf of the Applicant.

The motion for the adoption of the foregoing resolution was duly seconded by member Dufault and upon vote being taken thereon the following members voted in favor thereof: Hoialmen, Dufault, Anderson, Veum and Offerdahl

And the following voted against same: None

Whereupon said resolution was declared passed and adopted by the City Council of the City of Fosston on January 12, 2015.

James Offerdahl, Mayor

Attest:

Charles Lucken, City Administrator

Lee Cariveau was present to discuss 2015 street projects. The alley behind City Hall has been discussed. Veum wondered about overlaying some of the streets on the south side that have begun to alligator. Cariveau recommends against that as there is also old water lines under the streets. Larson would like to finish up new water lines from Johnson all the way to the School on Granum and get a few blocks north from Second to Johnson to get out of the business district with all new mains. Larson and Cariveau will meet in the next month and put together a preliminary list of projects for 2015.

Motion was made by Hoialmen seconded by Anderson to approve pay requests from Polk County Highway Department for 2014 projects administered by it in the amount of \$753,265.14:

Second Street South – SP-060-594-001	\$624,133.30
Brandt Avenue 513C0102	<u>\$129,131.84</u>
	\$753,265.14

Motion carried by unanimous vote.

Member Dufault introduced the following resolution and moved its adoption:

RESOLUTION ACCEPTING DONATIONS RECEIVED
BY THE CITY OF FOSSTON IN 2014
RESOLUTION 15-08

WHEREAS, the City of Fosston received numerous donations in 2014; and,

WHEREAS, Minnesota Statutes Section 465.03 provides that donations to the City be accepted by resolution of the City Council; and

WHEREAS, the City Council expresses its gratitude for the donations given to the Fosston community; and

WHEREAS, the City Council agrees that said donations would be of benefit to the citizens of Fosston.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT the City Council of the City of Fosston, Minnesota hereby acknowledges and agrees to accept said donations as described in Exhibit A attached to this resolution.

The motion for the foregoing resolution was duly seconded by member Anderson and upon vote being taken thereon the following voted in favor thereof: Dufault, Anderson, Veum, Hoialmen and Offerdahl

and the following voted against same: None

Whereupon said resolution was declared passed and adopted by the City Council of the City of Fosston on this 12th day of January, 2015.

James Offerdahl, Mayor

Attest:

Charles Lucken, City Administrator

Motion was made by Veum seconded by Dufault to approve the 2014 Tax Increment Financing reimbursement in the amount of \$4,226 to Anytime Fitness. Motion carried by unanimous vote.

Motion was made by Anderson seconded by Dufault to approve Partial Payment Estimate No. 4 from Gordon Construction in the amount of \$82, 828.31. Motion carried by unanimous vote.

Motion was made by Veum seconded by Dufault to approve the FEDA Micro-loan Fund application from Kay Balstad DBA: K & K Drive Inn A & W in the amount of \$20,000.00. Motion carried by unanimous vote.

Motion was made by Hoialmen seconded by Anderson to approve Partial Payment Estimate No. 19-Final from Gladen Construction for the Wastewater Treatment Facility Expansion Project in the amount of \$65,859.98. Motion carried by unanimous vote.

Motion was made by Veum seconded by Hoialmen to accept the proposal from WSN for a sidewalk study for a “not to exceed” amount of \$5,000. Motion carried by unanimous vote.

Motion was made by Anderson seconded by Hoialmen to approve request by Allen Potvin to reimburse costs associated with creating a new abstract for the garage behind Thrivent in the amount of \$300.00. Those voting in favor: Anderson, Hoialmen, Dufault and Offerdahl. Opposed: Veum. Motion carried.

Motion was made by Hoialmen, seconded by Anderson to approve the request from the fire department to conduct a live burn on the Aspen house for training. Motion carried by unanimous vote.

There being no further business to come before the council, motion was made by Hoialmen, seconded by Anderson to adjourn. Motion carried by unanimous vote.

Charles Lucken, City Administrator