

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA
SEPTEMBER 12, 2016

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, September 12, 2016 at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Veum, Hoialmen, Dufault and Anderson. Also present was Charles Lucken, Laurel Skala Ed Lavelle, John and Julie Nord, Mark Johnson, Polk County Sgt. Scott Bixby, Cassie Heide, Dave Larson, Leah Hemmingsen, Tom Holland, Casey Holland, Lee Cariveau, Keith Kinnen.

Motion was made by Dufault seconded by Veum to approve the agenda with the following modification:

- A) Consider approval of micro-loan application for Larry Roed.

Motion was made by Hoialmen seconded by Anderson to approve consent agenda items A and B.

Motion carried by unanimous vote.

- A) To approve the minutes of the regular meeting held August 15, 2016 as per copies furnished each member.
- B) To approve Accounts Payable Listing #16-09 in the amount of \$106,818.06 and AP Bill Listing #16-09A in the amount of \$167,949.72.

COMMITTEES/BOARDS/COMMISSION:

Law Enforcement: Polk County Sgt. Scott Bixby was present to discuss law enforcement matters:

- The Fosston deputies are doing a good job. Deputy Folkert is currently working on a burglary.
- The county is on a 23 ½ hour coverage rotation now and the Fosston deputies are on it as well. This means more deputies in the East Polk area.
- The Drug Task Force is busy.

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

- Street sweeping, mowing and brush pick up continues.
- The alleys will be bladed again before winter.
- A gate will be installed at the burn site as we are getting more construction debris and other items that don't belong there. It will be locked at times to deter this dumping.
- Pond 2 is in limits and dumping should begin in a couple of weeks.
- The IPF looks good and crews are putting the cover back on. They hope to have this done by the end of the week.
- Diagonal parking by the school has added a lot of parking spaces in the area.

Hospital:

- Lucken reminded the council of the special meeting next week with the Board of Trustees on Monday at 6 p.m.

Community/Economic Development:

- The FEDA Board received an application for a micro-loan from Larry Roed and is recommending that council approve the request. Motion was made by Hoialmen seconded by Anderson to

approve the Micro-Loan to Larry Roed in the amount of \$20,000 as recommended by the FEDA board. Motion carried by unanimous vote.

Airport:

- The Anderson Field dedication is scheduled for October 1st at 11:00 a.m. Council and Commissioners are encouraged to attend and dignitaries have been invited.

Star Committee: Cassie Heide reported on committee activities:

- Manufacturing Days program is being planned.
- Light Up the Night plans are being made as well.

Member Anderson introduced the following resolution and moved its adoption.

RESOLUTION DETERMINING SUFFICIENCY OF
PETITION AND ORDERING IMPROVEMENT
PURSUANT TO PETITION BY 100% OF OWNERS
OF AFFECTED PROPERTY
RESOLUTION #16-32

WHEREAS, the City Council has received a petition pertaining improvements to a wastewater pretreatment plant utilized by Minnesota Dehydrated Vegetables, Inc.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fosston, Minnesota as follows:

- a. the aforesaid petition is signed by all the owners of real property abutting upon the project named as the location of the improvement in the petition,
- b. said property owners request in the petition that the improvement be constructed and that the entire cost of the improvement be assessed against their property,
- c. said improvement is necessary, cost-effective, and feasible and can best be made as proposed and said improvement is hereby ordered.

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

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted this 12th day of September, 2016.

James Offerdahl, Mayor

Attest:

Charles Lucken, City Administrator

Motion was made by Veum seconded by Hoialmen to approve the 2016/2017 Worker's Compensation Insurance Premium in the amount of \$30,816.00 to the League of Minnesota Cities Insurance Trust. Motion carried by unanimous vote.

Council considered the request of John Nord to purchase a portion of city parking lot on Block 7 behind his store. This is a 60'X107' area or 6,420 square feet. There was discussion on value and developable property has been sold for about \$1.50. Since this is parking lot property the consensus is to sell it for half of the developable amount or \$.75/sq. foot. This amounts to \$4,815.00. Motion was made by Hoialmen seconded by Dufault to approve the sale of 6,420 square feet of parking lot on Block 7 behind Nord Drug to John Nord in the amount of \$4,815.00. Motion carried by unanimous vote.

The council considered approval of the Blue Cross/Blue Shield Health Insurance Renewal for 2017 per the recommendation of the Personnel Committee. As Lucken explained, the insurance rates for 2017 have increased 19.9%. We've had a couple big claims over the last two years. Currently the City picks up 80% of the family premium with the employee paying 20%. The single premium is covered by the city 100%. Alternatives were looked at and if we go to a \$1,000 deductible the increase would be at 10% over last year as opposed to the 19.9% if we stay at a \$500 deductible. Out of pocket maximums remain the same. There is \$45,000 in health care reserves and we could use \$15,000 to buy down the City's portion. This is the recommendation of the personnel committee. Motion was made by Anderson seconded by Veum to approve the Blue Cross/Blue Shield Health Insurance renewal with the \$1,000 deductible as recommended by the Personnel Committee. Motion carried by unanimous vote.

Lee Cariveau of WSN gave an update on city projects:

The Concrete Core Test results have come back from the four samples that were done in various areas throughout the city last year. Results found that sidewalk and alley portion had an acceptable of air in them. The spot behind the alley may have been prematurely finished. The biggest issue seems to be the city hall parking lot area. That core was below the threshold based on air percentages. The council can decide to have it removed and replaced; it can leave the concrete with no pay and request an epoxy sealer over it. \$32,000 is the amount we are looking at. Gordon's did the downtown project and they are proposing no deduct and they have offered to epoxy their concrete. Offerdahl stated that adjoining owners are being assessed. If there is a deduct can we share that with the owners. The Hagen project included the parking area behind City Hall as well as Mary Avenue. Council directed Cariveau to look at Mary again to make sure that concrete has not had pop-outs since he last looked. Councilman Anderson stated that for the small city projects that were in front of businesses and the school we should go to Lakes Concrete directly. Our cost for those projects was around \$15,000 so we should inform Lakes Concrete that this is unacceptable. It should either be removed and replaced or the city should get a refund for this. After further discussion it was the consensus of the council that we need to put our insurance company and city attorney on notice that this concrete is unacceptable. Motion was made by Anderson seconded by Hoialmen to direct our City Attorney to draft a letter to Lakes Concrete and put them on notice that this concrete is unacceptable and we want the concrete replaced or a refund for it. The City Administrator is directed to inform our insurance company as well. Motion carried by unanimous vote. City Engineer Lee Cariveau recommends that council also ask for an additional year of warranty. Councilman Anderson

made a motion to amend his motion to include our request for an additional year of warranty. The Amended Motion was seconded by Hoialmen and the motion carried by unanimous vote. Gordon Construction has offered a compromise: No deduct and they will seal all the concrete they installed. That includes the alley on the Cornerstone block, the sidewalk on the east side of Johnson Avenue and the South half of Kaiser Avenue as well as various areas of Second Street. The epoxy sealer will be at MN/DOT specs. For the Gordon projects the council will look at the various concrete areas. A final decision will be made in a week.

For the Hagen projects motion was made by Anderson seconded by Hoialmen to direct the City Attorney to draft a letter with the same requirements as Lakes – remove/replace or refund us the \$32,349.41 value of the concrete as well as the additional year warranty. Motion carried by unanimous vote.

Cariveau then informed the council that the concrete being poured tomorrow is coming from Lakes Concrete as well. It will be tested.

The east Palubicki alley was looked at and it was determined that it is in worse condition than we first thought. That entire alley should be redone. After further discussion, motion was made by Anderson seconded by Dufault to replace the concrete in the alley with asphalt. Motion carried by unanimous vote.

Motion was made by Hoialmen seconded by Anderson to approve Partial Pay Estimate #2 from Gordon Construction in the amount of \$91,177.87 for the 2016 Street and Utility Improvements. Motion carried by unanimous vote.

Motion was made by Veum seconded by Anderson to approve Change Order #3 for the Veteran's Memorial Project in the amount of \$1,150.00 decrease. Motion carried by unanimous vote.

Motion was made by Hoialmen seconded by Veum to approve Pay Estimate #4 from Dennis Killian Construction in the amount of \$593.75 for the Veteran's Memorial Project. Motion carried by unanimous vote.

Council considered a request from the East Polk Heritage Center for a contribution of \$4,000 for 2017. As Bonnie Stewart explained, the major project next year is painting the Larson house as it will be 130 years old. Other improvements are planned as well. Motion was made by Dufault seconded by Anderson to recommend that the utilities commission fund this \$4,000 contribution. Motion carried by unanimous vote.

Motion was made by Veum seconded by Hoialmen to approve the Applications for Exempt Permit from the Fosston Area Sportsman's Club for October 22, 2016 at Venture's Bar & Grill and December 16, 2016 at KKCQ Radio Station. Motion carried by unanimous vote.

Motion was made by Anderson seconded by Hoialmen to deny Allen Potvin's request to consider detachment of a portion of Columbia Oaks parcel from the City of Fosston. Motion carried by unanimous vote.

Mark Johnson, candidate for District 1 MN Senate seat being vacated by LeRoy Stumpf was present to introduce himself and let the council know what his platform is to try to get things as local as he can and noted that Fosston is a model community in District #1.

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

Charles Lucken, City Administrator