

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL  
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA  
December 14, 2020

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, December 14, 2020 at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Anderson, Dufault and Hoialmen. Members absent: Bosselman. Also present was: Cassie Heide, David Larson, Jim Tadman, Ethan Nagel, Lee Cariveau, Stephen Larson, Sarah Manecke, Amelia Linehan, Keith Kinnen and Mark Hagen. Those present via zoom: Karen Graham and Ed Lavelle

Motion was made by Hoialmen, seconded by Anderson to approve the agenda.

Motion was made by Anderson, seconded by Dufault to approve Consent Agenda items A., B., C. Motion carried by unanimous vote.

- A) To approve the minutes of the regular meeting held November 9, 2020 and special meeting held November 12, 2020
- B) To approve Accounts Payable Bill Listing #20-12 in the amount of \$102,857.93 and AP Bill Listing #20-12A in the amount of \$142,320.15
- C) To approve Accounts Payable Bill Listing – Omland Court, \$12,967.87

COMMITTEES/BOARDS/COMMISSION:

Law Enforcement: Deputy Ethan Nagel and Sheriff Jim Tadman were present to report on matters pertaining to Fosston Law Enforcement

- Deputy Nagel and Sheriff Tadman touched on the dog attack within the City – reported that the two dogs have been euthanized, so there is no further threat to the public.
- Nagel reports that they are continuing to see an increase in domestic & mental health issues.
- Line 3 project has begun and they have noticed an increase in traffic, but no problems have been reported yet in Polk County.

City Administration: Cassie Heide reported on matters pertaining to City Administration

- Heide reports that staff has continued to do well with mask compliance and have been able, for the most part, to stay healthy.
- Heide reports that the City will be receiving 100% of transit funds for the city bus in 2021 due to Covid. The amount received for the two-year period is approximately \$220,000.

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

- Discussed the possibility of receiving grant funds for an electric vehicle charging station within the City.
- Staff met with engineer, WSN, to discuss the wastewater ponds - Larson inquired as to the possibility of doing a clay liner for the ponds to save money. Test pits were dug earlier this month, a soil sample was taken and sent to the lab for testing.
- The street department & utility staff has been repairing street lights, trimming trees and removing trees from Eaton Ave N.

Civic Center: Karen Graham reported on matters pertaining to her department

- Staff has been busy cleaning during the shutdown.
- Gregg has been flooding the rink with hopes of opening this weekend to the public.
- Karen has been approached by the Bagley Hockey Association to possibly bring teams over to use the ice exclusively.

### Community Development

- Dufault informed the council that the EDA board met at noon today with regular business being conducted.

Hospital Board: Dufault reported they did not meet, but he is continuously receiving updates on the doctor recruitment process and on the number of covid-19 cases in our area.

Arts & Culture Commission: No report

City Attorney: No report

A public hearing continuance was held at 7:15p.m. to determine whether a substandard or hazardous conditions exists on the property located at 204 Inderlee Avenue North, Fosston, MN 56542, Parcel No. 87-00173.00 and to determine what action needs to be taken to remedy such conditions. The school will be closing on the property this week and council would like to see the home removed by Memorial Day, if possible. Administrator Heide was instructed to contact Superintendent Chase.

Motion was made by Anderson, seconded by Dufault to continue the public hearing to the next monthly council meeting. Motion carried by unanimous vote.

The truth in Taxation public hearing was opened at 7:30p.m. to review the proposed 2021 General Fund budget and proposed 2021 Property Tax levies. There were no members of the public present for this portion of the meeting.

Heide reviewed the hearing reports with the council. The 2020 and 2021 budget comparison was reviewed with an increase of 39.7% in expenditures and an increase of 37.7% in revenues. This is largely attributed to the wetland mitigation/hanger site prep expenditures and entitlement grants received for the airport within the same year. The 2021 tax levy is an 8% increase over the 2020 levy at \$413,067.00. In 2021, \$.38 of every tax dollar that a city resident pays will go

towards city government expenses. With there being no further business to take during this hearing, Mayor Offerdahl closed the public hearing.

A public hearing on proposed final assessments relating to the 2020 street & utility improvements was opened at 7:45p.m. The final assessments are in relation to the work performed in 2020 on Eaton Avenue North between 4<sup>th</sup> St. NE and 8<sup>th</sup> St. NE. Darren Swanson, 414 Eaton Ave N and Joel Olson, 408 Eaton Ave N were present to discuss the proposed assessment. Swanson expressed concern regarding the pavement in front of his property not being completed. He wanted to ensure a second lift would be done next year. If not, he stated his final assessment would not be justifiable. Olson indicated he was unsure of how he would be assessed whether it was his full amount this year and another assessment next year upon completion. Heide explained his total assessment amount and stated this would be his only assessment for the project. She indicated that if any property owner chooses not pay before the end of the year, the assessment would be placed on their property tax bill at a rate of 5.5% over the next ten years. With there being no further business to take during this hearing, Mayor Offerdahl closed the public hearing.

Member Anderson introduced the following resolution and moved its adoption:

**RESOLUTION ADOPTING ASSESSMENT  
FOR 2020 STREET AND UTILITY IMPROVEMENT PROJECT  
RESOLUTION NO. 20-28**

**WHEREAS**, pursuant to proper notice duly given as required by law, the council met and heard and passed upon all objections to the proposed assessment for the improvement of the following streets by street reconstruction and replacement of water and/or sewer:

Eaton Avenue N. between 4<sup>th</sup> St. NE and 8<sup>th</sup> St. NE

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF FOSSTON, MINNESOTA:

1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefitted by the proposed improvement in the amount of assessment levied against it.
2. Such assessment shall be payable in equal annual installments extending over a period of ten (10) years, the first of the installments to be payable on or before the first Monday in January, 2021, and shall bear interest at the rate of five and one half (5.5) percent per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2031. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

3. The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City Administrator, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of the assessment. He may at any time thereafter, pay to the City Administrator the entire amount of the assessment remaining unpaid, with interest accrued to December 31, of the year in which said payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year.
4. The City Administrator shall forthwith transmit a certified duplicate of this assessment to the County Auditor-Treasurer to be extended on the property tax lists of the County. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

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

And the following voted against same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

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James Offerdahl, Mayor

ATTEST:

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Cassie Heide, City Administrator

Member Dufault introduced the following resolution and moved its adoption:

**RESOLUTION ADOPTING FINAL  
GENERAL FUND BUDGET  
RESOLUTION NO. 20-29**

BE IT RESOLVED, that the Proposed 2021 Budget for the General Fund be set at \$2,145,634.

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

and the following members voted against the same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

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James Offerdahl, Mayor

Attest: \_\_\_\_\_

Cassie Heide, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION SETTING TAX  
LEVY FOR DEBT SERVICE  
RESOLUTION NO. 20-30**

BE IT RESOLVED, by the Council of the City of Fosston, Polk County, Minnesota as follows:

1. The tax levy for the \$1,190,000 General Obligation PIR Fund & Refunding Bonds, Series 2010A shall be set for the years and amounts as follows:

<u>Year of Tax</u> <u>Levy</u>	<u>Year of Tax</u> <u>Collection</u>	<u>Amount</u>
2020	2021	\$21,786

2. The City Administrator is hereby authorized and directed to furnish a copy of this resolution to the County Auditor of Polk County forthwith.

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

and the following voted against the same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

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James Offerdahl, Mayor

Attest:

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Cassie Heide, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION AMENDING TAX  
LEVY FOR DEBT SERVICE  
RESOLUTION NO. 20-31**

BE IT RESOLVED, by the Council of the City of Fosston, Polk County, Minnesota as follows:

1. The tax levy for the \$1,148,000 General Obligation Certificate, Series 2018A shall be set for the years and amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
2020	2021	\$97,345

2. The City Administrator is hereby authorized and directed to furnish a copy of this resolution to the County Auditor of Polk County forthwith.

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

and the following voted against the same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

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James Offerdahl, Mayor

Attest:

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Cassie Heide, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION SETTING TAX  
LEVY FOR DEBT SERVICE  
RESOLUTION NO. 20-32**

BE IT RESOLVED, by the Council of the City of Fosston, Polk County, Minnesota as follows:

1. The tax levy for the \$450,000 General Obligation Improvement Bonds, Series 2015B shall be set for the years and amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
2020	2021	\$34,021

2. The City Administrator is hereby authorized and directed to furnish a copy of this resolution to the County Auditor of Polk County forthwith.

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

and the following voted against the same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

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James Offerdahl, Mayor

Attest:

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Cassie Heide, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:



**RESOLUTION SETTING TAX  
LEVY FOR DEBT SERVICE  
RESOLUTION NO. 20-33**

BE IT RESOLVED, by the Council of the City of Fosston, Polk County, Minnesota as follows:

1. The tax levy for the \$450,000 General Obligation Improvement Bonds, Series 2016B shall be set for the years and amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
2020	2021	\$24,151

2. The City Administrator is hereby authorized and directed to furnish a copy of this resolution to the County Auditor of Polk County forthwith.

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

and the following voted against the same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

\_\_\_\_\_  
James Offerdahl, Mayor

Attest:

\_\_\_\_\_  
Cassie Heide, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION SETTING TAX  
LEVY FOR DEBT SERVICE  
RESOLUTION NO. 20-34**

BE IT RESOLVED, by the Council of the City of Fosston, Polk County, Minnesota as follows:

1. The tax levy for the \$458,000 General Obligation Improvement Bonds, Series 2017A shall be set for the years and amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
2020	2021	\$29,643

2. The City Administrator is hereby authorized and directed to furnish a copy of this resolution to the County Auditor of Polk County forthwith.

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

and the following voted against the same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

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James Offerdahl, Mayor

Attest:

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Cassie Heide, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION SETTING TAX  
LEVY FOR DEBT SERVICE  
RESOLUTION NO. 20-35**

BE IT RESOLVED, by the Council of the City of Fosston, Polk County, Minnesota as follows:

1. The tax levy for the \$853,000 General Obligation Improvement Bonds, Series 2020A shall be set for the years and amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
2020	2021	\$8,116

2. The City Administrator is hereby authorized and directed to furnish a copy of this resolution to the County Auditor of Polk County forthwith.

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

and the following voted against the same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

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James Offerdahl, Mayor

Attest:

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Cassie Heide, City Administrator

Member Dufault introduced the following resolution and moved its adoption:

**RESOLUTION CERTIFYING FINAL  
PAYABLE 2021 PROPERTY TAX LEVY  
RESOLUTION NO. 20-36**

RESOLVED, that the following sums are hereby proposed to be levied upon the taxable property in the City of Fosston, County of Polk, State of Minnesota, for the 2020 taxes collectable in 2021 for the following purposes to-wit:

<b>PURPOSE</b>	<b>2020 FINAL</b>	<b>2021 FINAL</b>	<b>CHANGE</b>
General Fund	\$ 78,514	\$ 89,070	\$ 10,556
2010A PIR & Refunding Bonds	\$ 22,954	\$ 21,786	(\$ 1,168)
2011 St. Improvement Note	\$ 13,090	\$ 15,770	\$ 2,680
2012 St. Improvement Note	\$ 17,614	\$ 17,614	\$ -0-
2014 Brandt Ave. Note	\$ 16,905	\$ 16,905	\$ -0-
2014 Downtown St. & Utility Note	\$ 36,284	\$ 36,284	\$ -0-
2015B St. Improvement Bonds	\$ 22,788	\$ 34,021	\$ 11,233
2016B St Improvement Bonds	\$ 25,280	\$ 24,151	(\$ 1,129)
2017A St. & Utility Note	\$ 29,586	\$ 29,643	\$ 57
2018A St & Utility Improvement Bonds	\$101,715	\$ 97,345	(\$4,370)
2019 St. & Utility Note	\$ 17,614	\$ 22,362	\$ 4,748

2020 St. & Utility Note	\$ -0-	\$ 8,116	\$ 8,116
Total Gross Levy	\$382,344	\$413,067	\$ 30,723
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	=====	=====	=====

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

and the following voted against the same: None.

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

\_\_\_\_\_  
James Offerdahl, Mayor

Attest: \_\_\_\_\_

Cassie Heide, City Administrator

Introduced by Council Member Anderson.

Seconded by Council Member Hoialmen.

**ORDINANCE NO. 20-02**

**AN ORDINANCE OF THE CITY OF FOSSTON, MINNESOTA AMENDING FOSSTON CITY CODE, CHAPTER 53 (FOSSTON’S SEWER SERVICE CHARGE SYSTEM ORDINANCE) BY ADDING PHOSPHORUS AS AN EXTRA STRENGTH WASTE AND REVISING THE ADDITIONAL CHARGES FORMULA**

**BE IT ORDAINED BY THE CITY OF FOSSTON, as follows:**

Section 1. Fosston City Code, Section 53.085 to 53.092 is repealed in its entirety and replaced by the following:

***SEWER SERVICE CHARGE SYSTEM***

**§ 53.085 GENERALLY.**

Each user of sewer service shall pay the charges applicable to the type of service, and in accordance with the provisions set forth in this subchapter.

**§ 53.086 DEFINITIONS.**

For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

***ADMINISTRATION.*** Those fixed costs attributable to administration of the wastewater treatment works (i.e., billing and associated bookkeeping and accounting costs).

***BIOCHEMICAL OXYGEN DEMAND (BOD<sub>5</sub>).*** The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five days at 20°C, expressed in milligrams per liter.

***CITY.*** The area within the corporate boundaries of the city, as presently established or as amended by ordinance or other legal actions at a future time. When used herein, the term ***CITY*** may also refer to the City Council or its authorized representative.

***COMMERCIAL USER.*** Any place of business which discharges sanitary waste as distinct from industrial wastewater.

***COMMERCIAL WASTEWATER.*** Domestic wastewater emanating from a place of business as distinct from industrial wastewater.

***DEBT SERVICE CHARGE.*** A charge levied on users of wastewater treatment facilities for the cost of repaying money bonded to construct the facilities.

***EXTRA STRENGTH WASTE.*** Wastewater having a BOD, TSS and/or Phosphorous loadings greater than domestic waste as defined in herein and not otherwise classified as an incompatible waste.

***GOVERNMENTAL USER.*** Users which are units, agencies, or instrumentalities of federal, state, or local government discharging normal domestic strength wastewater.

***INCOMPATIBLE WASTE.*** Waste that either singly or by interaction with other wastes interferes with any waste treatment process, constitutes a hazard to humans or animals, creates a public nuisance, or creates any hazard in the receiving waters of the wastewater treatment works.

***SIGNIFICANT INDUSTRIAL USERS***

(1) Entities that discharge into a publicly owned wastewater treatment works liquid wastes resulting from the processes employed in industrial or manufacturing processes, or from the development of any natural resources. These are identified in the Standard Industrial Classification Manual, 1972, Office of Management and Budget, as amended and supplemental under one of the following divisions

- Division A. Agriculture, Forestry, and Fishing
- Division B. Mining
- Division D. Manufacturing
- Division E. Transportation, Communications, Electric,  
Gas, and Sanitary Sewers
- Division I. Services

(2) Any nongovernmental user of a publicly owned treatment works which discharges wastewater to the treatment works which contains toxic pollutants or poisonous solids, liquids, or gases in sufficient quantity either singly or by interaction with other wastes to contaminate the sludge of any municipal systems, or to injure or to interfere with any sewage treatment process, or which constitutes a hazard to humans or animals, creates a public nuisance, or creates any hazard in or has an adverse effect on the waters receiving any discharge from the treatment works.

**INDUSTRIAL WASTEWATER.** The liquid processing wastes from an industrial manufacturing process, trade, or business including, but not limited to, all Standard Industrial Classification Manual Divisions A, B, D, E, and I manufacturers as distinct from domestic wastewater.

**INSTITUTIONAL USER.** Users other than commercial, governmental, industrial, or residential users, discharging primarily normal domestic strength wastewater (e.g., non-profit organizations).

**MAY.** A permissive term.

**NORMAL DOMESTIC STRENGTH WASTEWATER.** Wastewater that is primarily produced by users, with BOD<sub>5</sub> concentrations not greater than 325 mg/l, total suspended solids concentrations not greater than 325 mg/l and phosphorous concentrations not greater than 10 mg/l.

**OPERATION AND MAINTENANCE.** Activities required to provide for the dependable and economical functioning of the treatment works throughout the design or useful life, whichever is longer, and at the level of performance for which the treatment works were constructed. **OPERATION AND MAINTENANCE** includes replacement.

**OPERATION AND MAINTENANCE COSTS.** Expenditures for operation and maintenance, including replacement.

**PUBLIC WASTEWATER COLLECTION SYSTEM.** A system of sanitary sewers owned, maintained, operated, and controlled by the city.

**REPLACEMENT.** Obtaining and installing of equipment, accessories, or appurtenances which are necessary during the design life or useful life, whichever is longer, of the treatment works to maintain the capacity and performance for which the works were designed and constructed.

**REPLACEMENT COSTS.** Expenditures for replacement.

**RESIDENTIAL USERS.** A user of the treatment facilities whose premises or building is used primarily as a residence for one or more persons, including dwelling units such as detached and semi-detached housing, apartments, and mobile homes; and which discharges primarily normal domestic strength sanitary wastes.

**SANITARY SEWER.** A sewer intended to carry only liquid and water-carried wastes from residences, commercial buildings, industrial plants, and institutions, together with minor quantities of ground, storm, and surface waters which are not admitted intentionally.

**SEWER SERVICE CHARGE.** The aggregate of all charges, including charges for operation, maintenance, replacement, debt service, and other sewer-related charges that are billed periodically to users of the city's wastewater treatment facilities.

**SEWER SERVICE FUND.** A fund into which income from sewer service charges is deposited along with other income, including taxes intended to retire debt incurred through capital expenditure for wastewater treatment. Expenditure of the Sewer Service Fund will be for operation, maintenance, and replacement costs; and to retire debt incurred through capital expenditure for wastewater treatment.

**SHALL.** A mandatory term.

**SLUG.** Any discharge of water or wastewater which in concentration of any given constituent or in quantity of flow exceeds for any period of duration longer than 15 minutes more than five times the average 24-hour concentration or flows during normal operation and shall adversely affect the collection system and/or performance of the wastewater treatment works.

**STANDARD INDUSTRIAL CLASSIFICATION MANUAL.** The manual as produced by the Office of Management and Budget, 1972.

**SUSPENDED SOLIDS (SS) or TOTAL SUSPENDED SOLIDS (TSS).** The total suspended matter that either floats on the surface or is in suspension in water, wastewater, or other liquids, and is removable by laboratory filtering as prescribed in *Standard Methods for the Examination of Water and Wastewater*, latest edition, and referred to as non-filterable residue.

**TOXIC POLLUTANT.** The concentration of any pollutant or combination of pollutants as defined in standards issued pursuant to Section 307(a) of the Act (33 USC 1317(a)), which upon exposure to or assimilation into any organism will cause adverse effects.

**USER CHARGE.** A charge levied on users of a treatment works for the user's proportionate share of the cost of operation and maintenance, including replacement.

**USERS.** Those residential, commercial, governmental, institutional, and industrial establishments which are connected to the public sewer collection system.

**WASTEWATER.** The spent water of a community, also referred to as **SEWAGE**. From the standpoint of source it may be a combination of the liquid and water-carried wastes from



residences, commercial buildings, industrial plants, and institutions, together with any ground water, surface water, and storm water that may be present.

**WASTEWATER TREATMENT WORKS** or **TREATMENT WORKS**. An arrangement of any devices, facilities, structures, equipment, or processes owned or used by the city for the purpose of the transmission, storage, treatment, recycling, and reclamation of municipal sewage, domestic sewage, or industrial wastewater, or structures necessary to recycle or reuse water including interceptor sewers, outfall sewers, collection sewers, pumping, power, and other equipment and their appurtenances; extensions, improvements, remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled water supply such as standby treatment units and clear well facilities; and any works including land which is an integral part of the treatment process or is used for ultimate disposal of residues resulting from treatment.

### **§ 53.087 CONFLICTING PROVISIONS.**

The sewer service charge system shall take precedence over any terms or conditions of agreements or contracts which are inconsistent with the requirements of Section 204(b)(1)(A) of the Act (33 USC 1284(b)(2)(A)) and federal regulation 40 CFR 35.2140 of the Environmental Protection Agency's grant regulations.

### **§ 53.088 ESTABLISHMENT OF SEWER SERVICE CHARGE SYSTEM.**

- (A) The city hereby establishes a Sewer Service Charge System whereby all revenue collected from users of the wastewater treatment facilities will be used to effect all expenditures incurred for annual operation, maintenance, and replacement and for debt service on capital expenditure incurred in constructing the wastewater treatment works.
- (B) Each user shall pay its proportionate share of operation, maintenance, and replacement costs of the treatment works, based on the user's proportionate contribution to the total wastewater loading from all users.
- (C) Each user shall pay debt service charges to retire local capital costs as determined by the City Council.
- (D) Sewer Service rates and charges to users of the wastewater treatment facility shall be determined and fixed in a Sewer Service Charge System developed according to the provisions of this subchapter. The Sewer Service Charge System shall be adopted by resolution upon enactment of this subchapter, shall be published in the local newspaper, and shall be effective upon publication. Subsequent changes in sewer service rates and charges shall be adopted by Council resolution and shall be published in the local newspaper.
- (E) Revenues collected for sewer service shall be deposited in a separate fund known as "The Sewer Service Fund." Income from revenues collected will be expended to offset the cost of operation, maintenance, equipment replacement for the facility, and to retire the debt for capital expenditure.
- (F) Sewer service charges and the Sewer Service Fund will be administrated in accordance with the provisions of § 53.091.

### **§ 53.089 DETERMINATION OF SEWER SERVICE CHARGES.**

(A) *User classifications.*

(1) Users of the city wastewater treatment works shall be identified as belonging to one of the following user classes:

- (a) Residential
- (b) Commercial
- (c) Industrial
- (d) Institutional
- (e) Governmental
- (f) Significant Industrial User

(2) The allocation of users to these categories for the purpose of assessing user charges and debt service charges shall be the responsibility of the City Administrator. Allocation of users to user classes shall be based on the substantive intent of the definitions of these classes contained herein.

(B) *Proportionate contributions of users.*

- (1) Each user shall pay operation, maintenance, and replacement costs in proportion to the user's proportionate contribution of wastewater flows and loadings to the treatment plant, with the maximum loading of BOD and TSS being the rate established for concentrations of 325 mg/l BOD and 325 mg/l TSS (i.e., normal domestic strength wastewater).
- (2) Those "industrial users" discharging segregated domestic strength wastewater and are not a significant industrial user as defined by the City NPDES permit can be classified as commercial users for the purpose of rate determination.

(C) *Billable wastewater volume.*

The charges assessed residential users and those users of other classes discharging normal domestic strength wastewater shall be established proportionately according to billable wastewater volume. Billable wastewater volume shall be calculated as follows:

(1) *Residential users.*

- (a) Billable wastewater volume for residential users shall be calculated on the basis of metered water usage. Per month billable wastewater volume shall be equal to monthly metered water usage as averaged between the first and last quarters of the calendar year.
- (b) The city may require residential users to install water meters for the purpose of determining billable wastewater volume.

(2) *Non-residential users.*

- (a) The billable wastewater volume of non-residential users may be determined in the same manner as for residential users, except that if the city determines that there are significant seasonal variations in the metered water usage of non-residential users resulting in a proportionate increase in wastewater volume, then billable wastewater volume shall be calculated on the basis of monthly metered water usage as recorded throughout the year and calculated on the basis of wastewater flow meters.
- (b) The city may, at its discretion, require non-residential users to install additional water meters or wastewater flow meters as may be necessary to determine billable wastewater volume.

(D) *Determination of sewer service charges.* Entities discharging wastewater to the city sanitary sewer system in accordance with this article shall be charged monthly based on the volume and strength of wastewater discharged. The monthly service charge will include a user charge component to meet all costs associated with operations, maintenance, and replacement of the wastewater collection and treatment facilities and a debt retirement component to meet facility construction costs.

(1) The actual service charge shall be based upon five cost elements that are: wastewater flow, BOD, total suspended solids (TSS), phosphorous and administration. Administration costs shall include costs such as a billing costs, insurance costs, and infiltration/inflow related costs, that are judged to be equitably recovered on a uniform monthly minimum or connection type charge. Which means, administration costs are not a variable among various users, since these costs are not a function of the amount of wastewater discharged by a particular user. Additional administrative costs related to a specific significant industrial user may be addressed in the specific user agreement with that industry.

(2) As an equitable share of the expenses incurred by the city in the construction, administration, operation, maintenance, and replacement of the sewerage works, each user will pay to the city a monthly amount based upon the following formula:

$$A = M + (f)/F + (b)/B + (tss)/TSS + (phos)/P + R$$

Where:

A = Service charge to user, with units of dollars/monthly

M = Average city per connection costs for administration and for treating infiltration and/or inflow, with units of dollars/monthly.

F = Average city unit cost of wastewater collection and treatment, with units of dollars per 1,000 gallons.

b = Average city unit cost of wastewater treatment chargeable to BOD, with units of dollars per pound of BOD.

B = Weight of BOD contributed by user, with units of pounds BOD per month.

tss = Average city unit cost of wastewater treatment chargeable to suspended solids, with units of dollars per pound of total suspended solids.

TSS = Weight of total suspended solids contributed by user, with units of pounds of TSS per month.

phos = Average city unit cost of wastewater treatment chargeable to phosphorus, with units of dollars per 1,000 gallons.

P = Weight of phosphorus contributed by user, with units of pounds phosphorus per month.

R = Monthly amount of required federal grand repayments, in accordance with regulations applying to grant and/or loan funds received by the city. R equals zero for non-industrial users, and may also equal zero for industrial users, depending upon applicable federal regulations.

(a) All users discharging normal strength domestic wastewater shall be billed a fixed amount "M" per month per sewer connection to cover administrative and

infiltration/inflow related costs, plus a fixed rate per 1,000 gallons of metered water used. Minimum billing shall be “M” per monthly, per sewer connection.

(b) All users discharging wastewater with a strength lower than that of normal strength domestic wastewater shall be billed for a normal strength domestic wastewater discharge. That is, no allowances will be made in billing users that discharge a diluted or low strength wastewater.

(E) *Additional charges.*

(1) The sewer service charges established in this subchapter shall not prevent the assessment of additional charges to users who discharge wastes with concentrations greater than normal domestic strength or wastes of unusual character. Users that discharge above normal strength domestic wastewater shall be billed an additional surcharge based on the volume of wastewater and BOD, TSS and phosphorous strengths/loadings above the normal strength domestic wastewater. Monthly surcharge shall be computed as follows:

(a) Additional loading will be calculated using the measured strengths from the user wastewater sample(s) that are above the normal strength domestic wastewater figures multiplied by the flow/volume of wastewater discharged that month by the user. Example for BOD is: User measured BOD is 510 mg/l and monthly flow is 0.56 million gallons. Additional loading =  $(510 \text{ mg/l} - 325 \text{ mg/l}) \times 0.56 \text{ mg} \times 8.34$ . Additional BOD loading = 864 pounds for the month.

(b) Surcharge fees for additional loading above normal strength domestic wastewater shall be calculated based on the following rates:

BOD at \$0.25 per pound  
TSS at \$0.10 per pound  
Phosphorous at \$4.00 per pound.

(F) *Significant Industrial Users (SIU)*

(1) The City will develop and enter into a specific industrial user permit for all users that meet the definition of a SIU in accordance with their NPDES permit or any user that the city determines shall be classified as a SIU to allow specific monitoring and surcharge rates to be set in an industrial user permit for that user. A review of unit costs for flow, BOD, TSS, Phosphorus and other significant loadings shall be developed for determining the surcharge costs specific to each significant industrial user discharging wastes of greater than normal domestic strength or wastes of unusual character.

**§ 53.090 SEWER SERVICE FUND.**

(A) (1) The city hereby establishes a Sewer Service Fund as an income fund to receive all revenues generated by the Sewer Service Charge System, and all other income dedicated to the operation, maintenance, replacement, and construction of the wastewater treatment works, including taxes, special charges, fees, and assessments intended to retire construction debt.

(2) The city also establishes the following accounts as income and expenditure accounts within the Sewer Service Fund:

- (a) Operation and Maintenance Account
- (b) Equipment Replacement Account
- (c) Debt Retirement Account

(B) All revenue generated by the Sewer Service Charge System, and all other income pertinent to the treatment system, including taxes and special assessments dedicated to retire construction debt, shall be held by the City Administrator separate and apart from all other funds of the city. Funds received by the Sewer Service Fund shall be transferred to the Operation and Maintenance Account, the Equipment Replacement Account, and the Debt Retirement Account in accordance with state and federal regulations and provisions of this subchapter.

(C) Revenue generated by the Sewer Service Charge System sufficient to insure adequate replacement throughout the design or useful life, whichever is longer, of the wastewater facility shall be held separate and apart in the Equipment Replacement Account and dedicated to effecting replacement costs. Interest income generated by the Equipment Replacement Account shall remain in the Equipment Replacement Account.

(D) Revenue generated by the Sewer Service Charge System sufficient for operation and maintenance shall be held separate and apart in the Operation and Maintenance Account.

#### **§ 53.091 ADMINISTRATION.**

The Sewer Service Charge System and Sewer Service Fund shall be administrated according to the following provisions:

(A) (1) The City Administrator shall maintain a proper system of accounts suitable for determining the operation and maintenance, equipment replacement, and debt retirement costs of the treatment works, and shall furnish the City Council with a report of the costs annually in October.

(2) The City Council shall annually determine whether or not sufficient revenue is being generated for the effective operation, maintenance, replacement, and management of the treatment works, and whether sufficient revenue is being generated for debt retirement. The Council will also determine whether the user charges are distributed proportionately to each user in accordance with 53.088(B) and Section 204(b)(2)(A) of the Federal Water Pollution Control Act (33 USC 1284(b)(2)(A)), as amended.

(3) The city shall thereafter, but not later than the end of the year, reassess, and as necessary revise, the Sewer Service Charge System then in use to insure the proportionality of the user charges and to insure the sufficiency of funds to maintain the capacity and performance to which the facilities were constructed, and to retire the construction debt.

(B) In accordance with federal and state requirements, each user will be notified annually in conjunction with a regular billing of that portion of the Sewer Service Charge attributable to operation, maintenance, and replacement.

(C) In accordance with federal and state requirements, the City Administrator shall be responsible for maintaining all records necessary to document compliance with the Sewer Service Charge System adopted.

(D) Bills for sewer service charges shall be rendered on a monthly basis succeeding the period for which the service was rendered and shall be due 10 days from the date of

rendering. Any bill not paid in full 10 days after the due date will be considered delinquent. At that time the city shall notify the delinquent owner/occupant in writing regarding the delinquent bill and subsequent penalty. The penalty shall be computed as 10% of the original bill and shall be increased the same 10% for every month the bill is outstanding.

(E) The owner of the premises shall be liable to pay for the service to the premises, and the service is furnished to the premises by the city only upon the condition that the owner of the premises is liable therefor to the city.

(F) Any additional costs caused by discharges to the treatment works of toxics or other incompatible wastes, including the cost of restoring wastewater treatment services, clean up and restoration of the receiving waters and environs, and sludge disposal, shall be borne by the discharger of the wastes, at no expense to the city.

**§ 53.092 DELINQUENT ACCOUNTS.**

(A) Each and every sewer service charge levied by and pursuant to this subchapter is hereby made a lien upon the lot or premises served and all such charges which are on October of each year past due and delinquent shall be certified to the County Auditor as taxes or assessments on the real estate. Nothing in this subchapter shall be held or construed as in any way stopping or interfering with the right of the City to levy as taxes or assessments against any premises affected by any delinquent or past-due sewer service charges.

(B) As an alternative to levying a lien, the City may, at its discretion, file suit in a civil action to collect the amounts delinquent and due against the occupant, owner, or user of the real estate, and shall collect as well all attorneys' fees incurred by the city in filing the civil action. Attorneys' fees shall be fixed by order of the court.

(C) In addition to all penalties and costs attributable and chargeable to recording notices of the lien or filing a civil action, the owner or user of the real estate being serviced by the treatment works shall be liable for interest upon all unpaid balances at the rate of 12% per annum.

Section 2. This ordinance shall take effect upon the date of its publication, or upon the publication of a summary of the ordinance as provided by Minn. Stat., § 412.191, subd. 4, as it may be amended from time to time, which meets the requirements of Minn. Stat. § 331A.01, subd. 10, as it may be amended from time to time.

Voting in the negative: none.

Voting in the affirmative: Anderson, Dufault, Hoialmen and Offerdahl.

Passed this 14th day of December, 2020.

\_\_\_\_\_  
Mayor

ATTEST: \_\_\_\_\_  
City Administrator

[Published in \_\_\_\_\_ on \_\_\_\_\_, 2020.]

Member Dufault introduced the following resolution and moved its adoption:

**RESOLUTION ADOPTING POLICY UPDATES TO CITY OF FOSSTON  
FTA and FMCSA DRUG AND ALCOHOL PROGRAM POLICY**

**RESOLUTION #20-37**

WHEREAS, the City of Fosston has an obligation to ensure that its employees perform their jobs safely, and in a professional manner.

WHEREAS, the City of Fosston recognizes that alcoholism and other drug dependencies has a significant potential for causing safety hazards for transit system employees.

NOW THEREFORE, the purpose of this document is set forth the Fosston Transit System Policy along with the City of Fosston Public Works employees regarding urine drug testing and breath alcohol testing for safety-sensitive positions in accordance with the terms of 49 CFR Part 655. I further certify that the employee training conducted under this part meets the requirements of 49 CFR Part 655.

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

And the following voted against same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

\_\_\_\_\_  
James Offerdahl, Mayor

ATTEST:

\_\_\_\_\_  
Cassie Heide, City Administrator

Council considered approval of the City of Fosston Purchase Policy with statutory updates. Written quotes are required for purchased between \$2,000 and \$25,000. For purchases over \$25,000 and under \$175,000 sealed quotes are required. All purchases over \$175,000 require the advertisement for sealed competitive bids.

Motion was made by Dufault, seconded by Hoialmen to approve the City of Fosston purchase policy with statutory updates. Motion carried by unanimous vote.

Council considered approving the final coronavirus relief fund (CRF) expense report to the State of Minnesota Management and Budget office for November 1-15, 2020 CRF expenses. Heide informed the council that monthly reports are due to the Minnesota Management and Budget Department where a special department was formed to deal with the CARES funding the state received. Expenses included in the report are eligible under Coronavirus Relief Fund, as they were a necessary expenditure to respond to the COVID-19 public health emergency, were not accounted for in the current budget, and were incurred during the covered period.

Motion was made by Hoialmen, seconded by Anderson to approve the coronavirus relief fund (CRF) expense report submittal to the State of Minnesota Management and Budget office for November 1-15, 2020 CRF expenses. Motion carried by unanimous vote.

Member Anderson introduced the following resolution and moved its adoption:

**RESOLUTION APPROVING SELECTION  
OF AIRPORT ENGINEER FOR CITY OF FOSSTON  
RESOLUTION NO. 20-38**

WHEREAS, The City of Fosston has requested statements from qualified consultants to provide planning and engineering services for improvements to the Fosston Municipal Airport.

WHEREAS, Federal Aviation Administration (FAA) guidelines contained in Advisory Circular (AC) 5100-14C were used to evaluate firms.

WHEREAS, Karvakko PA was found to be the most qualified firm based on the evaluation by the Airport Commission.

THEREFORE BE IT RESOLVED, by the Council of the City Fosston that:

1. Karvakko PA is the City's choice to provide consulting services for airport projects to be initiated during the next 5 year period.
2. The City Administrator is directed to enter negotiations with Karvakko PA for design services as needed for projects planned in the next five year period.
3. The City Administrator will notify the FAA and Minnesota Department of Transportation, Office of Aeronautics, of the City's consultant selection.

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: Anderson, Dufault, Hoialmen and Offerdahl.



and the following voted against same: none

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

\_\_\_\_\_  
James Offerdahl, Mayor

Attest: \_\_\_\_\_  
Cassie Heide, City Administrator

Council considered approval of change order no. 3 from Hagen Construction, Inc for 2020 Street & Utility Improvements in the amount of \$27,413.00. This amount consists of a variety of extra items that were completed throughout the project.

Motion was made by Hoialmen, seconded by Anderson to approve change order no. 3 from Hagen Construction, Inc for 2020 Street & Utility Improvements in the amount of \$27,413.00. Motion carried by unanimous vote.

Council considered approval of pay application number 7 from Hagen Construction, Inc for 2020 street and utility improvements in the amount of \$85,764.57. A small percentage of retainage will be withheld until Spring 2021 when final inspection can be done. Cariveau has approved the pay application.

Motion was made by Dufault, seconded by Anderson to approve application number 7 from Hagen Construction, Inc for 2020 street and utility improvements in the amount of \$85,764.57. Motion carried by unanimous vote.

Member Anderson introduced the following resolution and moved its adoption:

**RESOLUTION ISSUING A NEGATIVE DECLARATION ON THE NEED FOR AN ENVIRONMENTAL IMPACT STATEMENT FOSSTON WASTEWATER TREATMENT FACILITY IMPROVEMENTS**

**RESOLUTION NO. 20-39**

**WHEREAS**, the City of Fosston (“City”) is the Responsible Governmental Unit (RGU) in the preparation of the Environmental Assessment Worksheet (EAW) for the proposed Wastewater Treatment Facility Improvement project; and

**WHEREAS**, the EAW is based on the development of 36-acres of new wastewater treatment ponds on an 80-acre site with the affiliated grading, and infrastructure construction; and

**WHEREAS**, the City has submitted a copy of the EAW to the public agencies on the EAW Distribution list and sent the EAW for publication of EAW availability in the *EQB Monitor* on March 16, 2020, all of which were done in accordance with applicable State laws, rules, and regulations; and

**WHEREAS**, the 30-day comment period ended on April 8, 2020 at 4:00 p.m., and

**WHEREAS**, the City acknowledges the comments received during the 30-day public comment period; and

**WHEREAS**, the City has considered the substantive comments received during the 30-day public comment period; and

**WHEREAS**, the EAW, the substantive comments received during the 30-day public comment period and the responses to those substantive comments do not support a need for an Environmental Impact Statement (EIS) on the proposed project; and

**WHEREAS**, the City has completed the Record of Decision supporting the Declaration of Negative Need,

**NOW, THEREFORE, BE IT RESOLVED**, the City Council of the City of Fosston has made a Negative Declaration on the need for an Environmental Impact Statement for the Wastewater Treatment Facility Improvement project.

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

and the following voted against same: none

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

\_\_\_\_\_

James Offerdahl, Mayor

Attest: \_\_\_\_\_

Cassie Heide, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION APPROVING THE DECERTIFICATION OF  
TAX INCREMENT FINANCING DISTRICT NO. 7  
OF THE CITY OF FOSSTON**

**RESOLUTION NO. 20-40**

WHEREAS, on November 22, 1999, the City of Fosston (the "City") created its Tax Increment Financing District No. 7 (the "District") within its Municipal Development District No. 1 (the "Project"); and

WHEREAS, as of the date hereof all bonds and obligations to which tax increment from the District have been pledged have been paid in full or defeased and all other costs of the Project have been paid; and

WHEREAS, the City desires by this resolution to cause the decertification of the District after which all property taxes generated within the District will be distributed in the same manner as all other property taxes.

NOW THEREFORE, BE IT RESOLVED by the City Council that the City's staff shall take such action as is necessary to cause the County Auditor of Polk County to decertify the District as a tax increment district and to no longer remit tax increment from the District to the City.

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

and the following voted against same: none

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

\_\_\_\_\_  
James Offerdahl, Mayor

Attest: \_\_\_\_\_  
Cassie Heide, City Administrator

Member Anderson introduced the following resolution and moved its adoption:

**RESOLUTION ESTABLISHING PROCEDURES  
RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND  
REGULATIONS UNDER THE INTERNAL REVENUE CODE**

**RESOLUTION NO. 20-41**

BE IT RESOLVED by the City Council (the "Council") of the City of Fosston, Minnesota (the "City"), as follows:

1. Recitals.

- (a) The Internal Revenue Service has issued final Treasury Regulations Section 1.103-18 (the "Regulations") dealing with reimbursement bond proceeds, which would include those proceeds of the City's bonds to be used to reimburse the City for any project expenditure paid by the City prior to the time of the issuance of those bonds.
- (b) The Regulations generally require that the City make a prior declaration of its official intent to reimburse itself for such prior expenditures out of the proceeds of subsequent borrowings, that such declaration generally be made on or before the date the expenditure is actually paid, that the bonding occur and the reimbursement allocation be made from the proceeds of such bonds within one year of the payment of the expenditure (or not later than one year after the project is placed in service, if that is a longer period), and that the expenditure be a capital expenditure.
- (c) The City desires to comply with the Regulations and to establish certain procedures relating thereto.
- (d) The City's bond counsel has advised the City that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application, to payments of City project costs first made by the City out of the proceeds of bonds issued prior to the date of such payments.

2. Official Intent Declaration. The Regulations, in the situations in which they apply, require the City to have made an official declaration of its reasonable intention (hereinafter referred to as the "Official Intent Declaration" or the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequent bonds or other borrowings. The Council hereby authorizes the City Clerk/Treasurer to make the City's Official Intent Declarations or to delegate from time to time that responsibility to other appropriate City employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

- (a) Each Declaration shall be made on or before the date the City pays the applicable project cost and shall state that the City reasonably intends and expects to reimburse itself for the expenditure with proceeds of a borrowing. Each Declaration may be made substantially in the form of the "Declaration of Official Intent" which is attached to and made a part of this Resolution.
- (b) Each Declaration shall specifically contain the following statement: "This Declaration is a declaration of official intent under Treasury Regulations Section 1.103-18.11
- (c) Each Declaration shall and is hereby declared to be made and filed in the publicly available official books, records, or proceedings of the City, which shall be reasonably available for public inspection at City Hall during normal business hours of the City on every business day during the period beginning on the earlier of 10 days after the making of the Declaration or the date of issuance of the reimbursement bonds and ending on the day after the issuance of such bonds.
- (d) Each Declaration shall, at a minimum, contain a general functional description of the property, project, or program for which the expenditure to be reimbursed is paid or, in the alternative, shall identify the particular fund or account of the City from which the expenditure to be reimbursed is paid, including a description of the general functional purpose of that fund or account.
- (e) Each Declaration shall also contain a statement of the maximum principal amount of debt expected to be issued for the subject project.
- (f) Care shall be taken so that the City, or its authorized representatives under this Resolution, not make Declarations in cases where the City does not reasonably expect that it will ultimately issue reimbursement bonds to provide long-term financing for the subject project costs, and the City officials are hereby authorized to consult with bond counsel to the city concerning the requirements of the Regulations in general and their application in particular circumstances. It is the Council's intention that Declarations not be made (i) when available funds of the City have been or are reasonably expected to be dedicated or otherwise reserved to fund on a long-term basis the particular expenditures involved or (ii) when it is not reasonably expected that reimbursement bonding will occur.
- (g) The Council shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the City has made Official Intent Declarations, including recommendations on the timing of the issuance of such bonds so that the "reimbursement allocation" described in the Regulations and in paragraph 3 below can be made within the 1 year time limits prescribed in the Regulations.
- (h) This Resolution shall supplement and amend all prior determinations and policies adopted by the City in regard to complying with the Regulations, as initially proposed, and in the event of any inconsistency between the terms provided in this Resolution and said prior determinations or policies, the provisions of this Resolution shall govern.

3. Reimbursement Allocations. The designated City officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of reimbursement bond proceeds to reimburse the source of temporary financing used by the City to make payment of the prior expenditure. Each allocation shall be evidenced by an entry on the official books or records of the City maintained for such reimbursement bonds; shall specifically identify the actual prior expenditure being reimbursed or, in the case of the reimbursement of a particular fund or account, the fund or account from which the expenditure was paid; and shall be effective to relieve the bond proceeds involved from any restriction under the bond resolution or other relevant legal documents for those bonds and under any applicable state statute applicable to unspent proceeds of such bond issue.

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: Anderson, Dufault, Hoialmen and Offerdahl.

and the following voted against same: none

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of December, 2020.

\_\_\_\_\_  
James Offerdahl, Mayor

Attest: \_\_\_\_\_  
Cassie Heide, City Administrator

Lee Cariveau, Widseth was present to discuss the 2020 street and utility improvement project, 2021 street improvement projects and the wastewater expansion. Cariveau reported that the 2020 street and utility project is completed except for a small amount of retainage to be released in the Spring of 2021 upon final inspection.

Cariveau reported that soil samples were taken from the wastewater ponds to test the clay liner. Samples have been sent to the lab and Cariveau is hoping to have everything done and ready to submit to MPCA in March 2021.

Council considered moving forward with plans & specifications for the urbanization of Eaton Ave N. This would include sewer, water, curb & gutter, gravel base road and a storm water retention pond.

Motion was made by Anderson, seconded by Hoialmen to proceed with the preparation of plans & specifications for the 2021 Eaton Ave N extension. Motion carried by unanimous vote.

Keith Kinnen, Karvakko was present to discuss the Highway 2 Corridor study and Airport. Airport – everything has been approved for the wetland project and is expected to be bid in January with construction fill taking place between May and October. Kinnen submitted a Type

II Buy America Waiver for the purchase of a new tractor & snowblower for the airport. Corridor Study – no report. Kinnen indicated there needs to be one more public meeting.

This was council member Hoialmen's last regular meeting.

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.

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Cassandra Heide, City Administrator