

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL  
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA  
December 17, 2018

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, December 17, 2018 at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Dufault, Anderson, Veum, and Hoialmen. Members absent: none. Also present was: Charles Lucken, Cassie Heide, Lee Cariveau, David Larson, Steven Lyseng, Keith Kinnen, Ed Lavelle, Amelia Linehan, Karen Graham, Larry Lenes, Mike Affeldt, Scott Bixby, Chett Carlson, George Bosselman.

Mayor Offerdahl presented a plaque to Lowell Veum for his service on the City council. Lowell began service on the city council in 1972 when he was appointed. He served from his appointment in 1972 until 1983. He then served again from January 1, 1986 through December 31, 2000. Lowell's final run with council was from January 1, 2007 through December 31, 2018. Lowell served on various city boards and committees and served on the Minnesota Association of Small Cities board of directors for more than a dozen years. Offerdahl expressed his gratitude for Lowell's service to the City.

Motion was made by Hoialmen, seconded by Veum to approve the agenda with the following modifications:

- Consider adoption of Resolution authorizing tax abatement for parcels qualifying for the housing incentive program in the City of Fosston.

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

- A) To approve the minutes of the regular meeting held November 19, 2018.
- B) To approve Accounts Payable Bill Listing #18-12 in the amount of \$113,724.26 and AP Bill Listing #18-12A in the amount of \$210,593.29.
- C) To approve Accounts Payable Bill Listing – Omland Court, \$7,876.32.

COMMITTEES/BOARDS/COMMISSION:

Law Enforcement: Scott Bixby and Chett Carlson were present to report on matters pertaining to Fosston Law Enforcement

- School traffic patrols continue and are a priority.
- Pedestrians crossing highway 2 from the high school to the LePiers station is a safety concern. Council discussed at length the need to address this issue. Dufault informed the

council that the safe routes to school advisory committee recently performed a walking audit and this issue was one of the main concerns identified.

- Mayor Offerdahl asked deputies Bixby and Carlson to pass along the City's well wishes to retiring sheriff Barb Erdman and thanks for her service to the county and Fosston.

City Administration: Heide reported on City matters.

- Heide informed the council that the City has been encouraged to submit the full application for Safe Routes to School funding after the initial letter of intent was submitted. The safety concern with pedestrian traffic crossing highway 2 will be the main focus to address in the grant, as the advisory committee has identified this area as the main concern for safe routes to school.

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

- The new public works building is nearly complete. Inventory has been moved in. Renovations on the existing shop building are underway.
- Crews will do tree trimming and load control equipment testing this winter.
- The natural gas line inspection was done in July. The letter of closing was received today with no deficiencies.
- City staff is meeting with WSN tomorrow to continue working on the wastewater expansion plan.

Civic Center: Karen Graham was present to discuss matters pertaining to her department.

- The warmer temperatures have made making ice more difficult, but staff will continue to work to get it ready for skaters.
- The Fosston High school trap team has requested using the civic center for trap practice. Practice would include members bringing their unloaded shot guns in and using a simulator to do target practice. The team would utilize the facility when it was not open to the public. Council would like to consult with our city attorney regarding what guidelines or rules should be put in place should the city decide to allow the use.

Community Development

- Member Dufault informed the council that the EDA board met at noon today. The main topic of discussion was the daycare issue and the work the daycare task force is doing.

Hospital Board

- Member Dufault informed the council that the hospital continues to work to recruit health care professionals after recent retirements and a relocation of another provider.
- Essentia has recently received three prestigious awards for the work they are doing.

Council held the truth in taxation public hearing to review proposed 2019 general fund budget and proposed 2019 property tax levies. Lucken reported that the City adopted the proposed budget in September of \$1,804,611. There are no revisions to the budget. Total projected revenues are projected at \$1,835,896. The City will receive local government aid, transportation alternatives program grant funds, civic center lease, land rent and other miscellaneous revenue. Transfers from the Light and power and natural gas funds will also supplement the general budget.

Member Anderson introduced the following resolution and moved its adoption:

**RESOLUTION ADOPTING FINAL  
GENERAL FUND BUDGET  
RESOLUTION NO. 18-34**

BE IT RESOLVED, that the Proposed 2018 Budget for the General Fund be set at \$1,804,611.

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

and the following members voted against the same: none.

Whereupon said resolution was declared passed and adopted this 17<sup>th</sup> day of December, 2018.

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

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

Charles Lucken, City Administrator

Member Veum introduced the following resolution and moved its adoption:

**RESOLUTION CERTIFYING FINAL  
PAYABLE 2018 PROPERTY TAX LEVY  
RESOLUTION NO. 18-35**

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 2018 taxes collectable in 2019 for the following purposes to-wit:

| <b>PURPOSE</b>                      | <b>2018<br/>FINAL</b> | <b>2019<br/>FINAL</b> | <b>CHANGE</b>    |
|-------------------------------------|-----------------------|-----------------------|------------------|
| General Fund                        | \$ 106,959            | \$ 89,814             | (\$ 17,145)      |
| 2009 St. Improvement Note           | \$ 21,050             | \$ 20,920             | (\$ 130)         |
| 2010A PIR & Refunding Bonds         | \$ 24,177             | \$ 24,059             | (\$ 118)         |
| 2011 St. Improvement Note           | \$ 13,371             | \$ 13,820             | \$ 449           |
| 2012 St. Improvement Note           | \$ 17,614             | \$ 17,614             | \$ -0-           |
| 2014 Brandt Ave. Note               | \$ 16,032             | \$ 16,032             | \$ -0-           |
| 2014 Downtown St. & Utility Note    | \$ 41,940             | \$ 33,436             | (\$ 8,504)       |
| 2015B St. Improvement Bonds         | \$ 42,267             | \$ 41,870             | (\$ 397)         |
| 2016B St Improvement Bonds          | \$ 24,462             | \$ 23,841             | (\$ 621)         |
| 2017A St & Utility Note             | \$ 29,373             | \$ 29,496             | \$123            |
| <u>2018A St &amp; Utility Bonds</u> | <u>\$ -0</u>          | <u>\$ 43,205</u>      | <u>\$ 43,205</u> |
| Total Gross Levy                    | \$337,245             | \$354,107             | \$ 16,862        |
|                                     | =====                 | =====                 | =====            |

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: Hoailmen, Anderson, Dufault, Veum, and Offerdahl

and the following voted against the same: none.

Whereupon said resolution was declared passed and adopted this 17<sup>th</sup> day of December, 2018.

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James Offerdahl, Mayor

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

Charles Lucken, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION SETTING TAX**

**LEVY FOR DEBT SERVICE**

**RESOLUTION NO. 18-36**

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>Year of Tax</u> | <u>Amount</u> |
|--------------------|--------------------|---------------|
| <u>Levy</u>        | <u>Collection</u>  |               |
| 2018               | 2019               | \$24,059      |

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: Hoailmen, Anderson, Dufault, Veum, and Offerdahl.

and the following voted against the same: none.

Whereupon said resolution was declared passed and adopted this 17<sup>th</sup> day of December, 2018.

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James Offerdahl, Mayor

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

Charles Lucken, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION AMENDING TAX**

**LEVY FOR DEBT SERVICE**

**RESOLUTION NO. 18-37**

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</u> | <u>Year of Tax</u> | <u>Amount</u> |
|--------------------|--------------------|---------------|
| <u>Levy</u>        | <u>Collection</u>  |               |
| 2018               | 2019               | \$43,205      |

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: Hoailmen, Anderson, Dufault, Veum, and Offerdahl.

and the following voted against the same: none.

Whereupon said resolution was declared passed and adopted this 17<sup>th</sup> day of December, 2018.

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James Offerdahl, Mayor

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

Charles Lucken, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION SETTING TAX**

**LEVY FOR DEBT SERVICE**

**RESOLUTION NO. 18-38**

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</u> | <u>Year of Tax</u> | <u>Amount</u> |
|--------------------|--------------------|---------------|
| <u>Levy</u>        | <u>Collection</u>  |               |
| 2018               | 2019               | \$41,870      |

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: Hoailmen, Anderson, Dufault, Veum, and Offerdahl

and the following voted against the same: none.

Whereupon said resolution was declared passed and adopted this 17<sup>th</sup> day of December, 2018.

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James Offerdahl, Mayor

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

Charles Lucken, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION SETTING TAX  
LEVY FOR DEBT SERVICE  
RESOLUTION NO. 18-39**

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</u> | <u>Year of Tax</u> | <u>Amount</u> |
|--------------------|--------------------|---------------|
| <u>Levy</u>        | <u>Collection</u>  |               |
| 2018               | 2019               | \$23,841      |

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: Hoailmen, Anderson, Dufault, Veum, and Offerdahl.

and the following voted against the same: none.

Whereupon said resolution was declared passed and adopted this 17<sup>th</sup> day of December, 2018.

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James Offerdahl, Mayor

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

Charles Lucken, City Administrator

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION SETTING TAX**

**LEVY FOR DEBT SERVICE**

**RESOLUTION NO. 18-40**

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:

| Year of Tax | Year of Tax       | Amount        |
|-------------|-------------------|---------------|
| <u>Levy</u> | <u>Collection</u> | <u>Amount</u> |
| 2018        | 2019              | \$29,496      |

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: Hoialmen, Anderson, Dufault, Veum, and Offerdahl.

and the following voted against the same: none.

Whereupon said resolution was declared passed and adopted this 17<sup>th</sup> day of December, 2018.

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

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

Charles Lucken, City Administrator

Member Veum introduced the following resolution and moved its adoption:

**RESOLUTION DESIGNATING POLLING PLACE  
FOR PRECINCT ONE IN THE CITY OF FOSSTON  
RESOLUTION NO. 18-41**

**WHEREAS, Minnesota Statutes, Section 204B.16, Subd. 1, Polling Place Designation, in the  
2017 Minnesota State Election Laws, requires that the City of Fosston must annually  
designate its polling place for each election precinct; and**

**WHEREAS,** the City of Fosston has one election precinct for the entire City.

**NOW THEREFORE BE IT RESOLVED,** that the City of Fosston City Council does hereby designate the Embassy Community Center, 603 3<sup>rd</sup> Street NE, as the polling place for Precinct One for 2018.

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:

and the following voted against same: none.

Whereupon said resolution was declared passed and adopted this 17<sup>th</sup> day of December, 2018.

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

**Attest:**

\_\_\_\_\_  
Charles Lucken, City Administrator

Member Anderson introduced the following resolution and moved its adoption:

**RESOLUTION APPROVING  
PREMISES PERMIT APPLICATION  
RESOLUTION #18-42**

**WHEREAS,** the Knightriders Snowmobile Club is submitting a Premise Permit Application to the Minnesota Department of Gaming, Gambling Control Division, for a permit to conduct electronic gambling at Ventures Bar & Grill in Fosston.

**BE IT RESOLVED,** THAT THE City Council of the City of Fosston hereby approves the Premise Permit Application as presented.

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, Hoailmen, Dufault, Veum, and Offerdahl.

And the following voted against same: none.

Whereupon said resolution was declared passed and adopted this 17<sup>th</sup> day of December, 2018.

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James Offerdahl, Mayor

ATTEST:

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Charles Lucken, City Administrator

Council considered approving a farm lease with Mike Theis for 2019. This is farmland just north and west of the Aspen Addition.

Motion was made by Veum, seconded by Anderson to approve farm lease with Mike Theis for 2019. Motion carried by unanimous vote.

Council considered approving a farm lease with Mike Affeldt for 2019. This is farmland west of the current wastewater treatment facility and storage ponds. The City is currently working with Widseth, Smith, Nolting to develop a wastewater treatment facility plan. Because of this plan, there is potential soil boring and testing that will occur during 2019. The farm lease was updated to provide provisions to allow the City to move the facility plan forward. Affeldt expressed his concern for an early termination. Mayor Offerdahl informed Affeldt that the City would do their best to work with Affeldt to minimize crop damage or loss. Cariveau does not foresee any construction resulting in an early termination occurring in 2019. Dufault explained that we are waiting for further information from Minnesota Dehydrated Vegetables to determine what the needs of the expansion will include. Affeldt questioned if the city has already done soil boring when the property was first acquired by the city. Larson and Lucken could not recall any testing that was done, but new tests would still need to be performed for accuracy and for the time sensitivity of the tests.

Motion was made by Hoialmen, seconded by Anderson to approve the updated farm lease with Mike Affeldt for 2019. Motion carried by unanimous vote.

Member Dufault introduced the following resolution and moved its adoption:

RESOLUTION AUTHORIZING TAX ABATEMENT  
FOR PARCELS QUALIFYING FOR THE  
HOUSING INCENTIVE PROGRAM IN THE CITY OF FOSSTON

RESOLUTION #18-43

WHEREAS, the City Council of the City of Fosston, Minnesota (the "City"), has held a public hearing on the proposed abatement, pursuant to Minnesota Statutes, Section 469.1812 through and including 469.1815, as part of the City Housing Incentive Program, and

WHEREAS, the City of Fosston has proposed to abate the City share of property taxes on the following parcels for a period of two years:

87-00898.00

WHEREAS, the City Council finds that the proposed abatements are in the best interest of the City and its residents,

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

1. Abatement. The City Council hereby authorizes the Abatement of the City share of property taxes on the aforementioned parcels in an amount estimated to be \$2,001.86 per year for two years commencing with taxes payable in 2018.
2. Improvements. The abatements will be utilized for a Housing Incentive Program to help increase tax base.

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

And the following voted against same: none.

Whereupon said resolution was declared passed and adopted this 17<sup>th</sup> day of December, 2018.

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James Offerdahl, Mayor

ATTEST:

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Charles Lucken, City Administrator

Lee Cariveau, WSN was presented proposed 2019 street and utility improvement projects preliminary engineering and feasibility reports. Four projects were identified as priorities and cost estimates were provided. Lucken will provide the council with current debt schedules and potential funding sources for the projects at the January council meeting.

Keith Kinnen, Karvakko Engineering informed the council that the east end multi use path engineering is 90% complete and on schedule. Karvakko is working on closeout reports for projects at the airport.

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

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Charles Lucken, City Administrator