

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL  
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA  
FEBRUARY 9, 2015

The regular meeting of the council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, February 9, 2015 at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Dufault, Veum, Anderson and Hoialmen. Also present was Karen Graham, Ed Lavelle, Lee Cariveau, Deputies Folkert and Sondrol.

Motion was made by Veum seconded by Dufault to approve the agenda with no modifications. Motion carried by unanimous vote.

Motion was made by Hoialmen seconded by Dufault to approve consent agenda items A and B. Motion carried by unanimous vote.

- A) To approve the minutes of the regular meeting held January 12, 2015 and the Special Joint Council/Commission meeting held January 28, 2015 as per copies furnished each member.
- B) To approve Accounts Payable Bill Listing #15-02 in the amount of \$117,536.73 and AP Bill Listing #15-02A in the amount of \$1,451,058.02.

COMMITTEES/BOARDS/COMMISSION:

Law Enforcement: Deputy Folkert was present to discuss law enforcement issues in the past month. They have done a lot of school patrol. Some vandalism has been reported and there was one burglary.

Civic Center/Parks & Recreation: Karen Graham reported on matters pertaining to her departments:

- Yoga classes as well as Aqua Zumba classes are starting. We will do a 70/30 split in registration fees with the instructors.
- Work on the summer swim program has begun. Six communities will be coming back for lessons.
- The Chlorine feeder was installed.
- The Outdoor Recreation Grant Application will be submitted at the end of the week.
- The council directed Graham to get another bid for grid work & tile in the civic center.
- Emergency and exit lights were fixed.
- The skating rink has been busy.

Hospital: Lucken gave an update on the hospital:

- The last three months have been good.
- A new doctor is coming next summer.

City Bus:

- There has been some discussion on whether we should continue with the Sunday bus service. Kingo church had no riders the last quarter; Hope church has been discussing whether it should continue to participate or not. If Hope does not participate this service becomes cost prohibitive to the rest of the churches. Council directed Lucken to send a letter to the churches regarding this. He will report back.

Motion was made by Hoialmen seconded by Veum to approve the following Liquor License Applications:  
Motion carried by unanimous vote.

- A) American Legion Club – Club On Sale \$250.00
- B) Ventures Bar & Grill – On Sale \$500.00
- C) Ventures Bar & Grill – Sunday On Sale \$100.00
- D) Ventures Bar & Grill – Off Sale \$100.00
- E) Fosston Off Sale – Off Sale \$100

Motion was made by Hoialmen seconded by Dufault to approve the Application for Transient Merchant License for Greg Parenteau DBA Oof Da Tacos. Motion carried by unanimous vote.

Member Dufault introduced the following resolution and moved its adoption:

**RESOLUTION APPROVING AGENCY AGREEMENT  
BETWEEN POLK COUNTY AND THE CITY OF FOSSTON  
RESOLUTION NO. 15-09**

BE IT RESOLVED, that pursuant to Chapter 164, Minnesota Statutes, 1953, the County of Polk be appointed as Agent of the City of Fosston to let as its agent, contracts for the construction of portions of City roads and City Mayor and City Administrator are hereby authorized and directed for and on behalf of the City to execute and enter into a contract with Polk County prescribing the terms and conditions of such contracts in the form as set forth and contained in Polk County Contract Form a copy of which said form was before the Board, assuming on behalf of the City all of the contractual obligations therein contained..

BE IT FURTHER RESOLVED, that the County of Polk be and hereby is authorized and requested to take such steps and perform such acts on behalf of the **City of Fosston**, Polk County, as may be necessary to have the constructions and improvements of the projects hereinafter described properly approved by the Minnesota Department of Transportation.

S.P. 060-594-001; **Construction of Second Street South and Related Utilities.**

S.P. 060-090-002; **Construction of Bituminous Pavement Multi-Purpose Trail.**

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: Dufault, Anderson, Veum, Hoialmen and Offerdahl

And the following voted against same: None

Whereupon said resolution was declared passed and adopted this 9<sup>th</sup> day of February, 2014.

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

Attest:

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Charles Lucken, City Administrator

Lee Cariveau was present to discuss 2015 Street Projects: Cariveau reports that Plans and Specs are done for alley area paving behind City Hall. He could advertise and have a bid opening in April. We could do only the alley or some other streets. Cariveau has had some discussion with Larson that pertains to some short street areas that are in need of pavement – Mary Ave. N., Foss Ave. N., Second St. NE (from Brandt down to the sports complex), as well as the City shop area. The alley paving is planned from Inderlee east to LePiers. 20% of this gets assessed and \$208,000 is the preliminary cost estimate for the alley portion. Four inches of bituminous is the plan and the alley roadway is 24 feet wide. Council further discussed the paving behind city hall as well as the addition of a concrete sidewalk surrounding the building. After further discussion council directed Cariveau to re-work the numbers and plan and report back next month.

Member Veum introduced the following resolution and moved its adoption:

RESOLUTION SUPPORTING THE GRANT APPLICATION TO  
THE MINNESOTA DEPARTMENT OF NATURAL RESOURCES  
OUTDOOR RECREATION GRANT PROGRAM FOR THE  
SPORTS COMPLEX WARMING HOUSE/MAINTENANCE BUILDING  
RESOLUTION NO. 15-10

BE IT RESOLVED, that the City of Fosston act as legal sponsor for the project contained in the Outdoor Recreation grant application to be submitted on February 13, 2015 and that the City Administrator is hereby authorized to apply to the Department of Natural Resources for funding of this project on behalf of the City of Fosston.

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

BE IT FURTHER RESOLVED that the City of Fosston has not incurred any development costs and has not entered into a written purchase agreement to acquire the property described in the Cost Breakdown section on this application.

BE IT FURTHER RESOLVED that the City of Fosston has or will acquire fee title or permanent easement over the land described in the site plan included in the application.

BE IT FURTHER RESOLVED that, upon approval of its application by the state, the City of Fosston may enter into an agreement with the State of Minnesota for the above-referenced project, and that the City of Fosston certifies that it will comply with all applicable laws and regulations as stated In the grant agreement including dedicating the park property for users consistent with the funding grant program into perpetuity.

NOW, THEREFORE BE IT RESOLVED, that the City Administrator is hereby authorized to execute such agreement as necessary to implement the project on behalf of the applicant.

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: Veum, Anderson, Dufault, Hoialmen and Offerdahl

and the following voted against same: None

Whereupon said resolution was declared passed and adopted by the City Council this 9<sup>th</sup> day of February, 2015.

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James Offerdahl, Mayor

ATTEST:

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Charles Lucken, City Administrator

Member Dufault introduced the following resolution and moved its adoption:

CITY OF FOSTON

**RESOLUTION NO. 15-11**

**A RESOLUTION ESTABLISHING AN INTER-FUND LOAN FOR THE  
2014 DOWNTOWN TIF 1-11 DEVELOPMENT PROJECT**

WHEREAS, on March 10, 2014 the City Council approved the Development Agreements for the “2014 Downtown TIF 1-11 Development Project” through the adoption of a Resolution; and,

WHEREAS, the City is in need of financing this project in the amount of approximately \$300,000.00 for the 2014 Downtown TIF 1-11 TIF Development Project; and,

**WHEREAS, the City Council adopted Resolution 15-09 authorizing reimbursement of expenses related to the 2014 Downtown TIF 1-11 Development Project noted by making a declaration of official intent under U.S. Treasury Regulations Section 1.150-2.**

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

1. Inter-Fund Loan Established. An inter-fund loan (the “Loan”) is hereby established in the amount of \$300,000.00 with funds to be allocated in the 2014 Downtown TIF 1-11 Fund as of the Effective Date.
2. Effective Date. The loan shall be effective as of December 31, 2014 (the “Effective Date”).
3. Sources of Loan Funds. The source of funds for the Loan (the “Source Fund”) shall be from Fund #604, referred to as the Electric Fund, in the amount of approximately \$300,000.00.
4. Interest Rate and Accrual. The *2014 Downtown TIF 1-11 Fund* shall accrue interest expense to be repaid with principal at a simple interest rate of 2.00%. The interest shall accrue from the Effective Date until the Repayment date of the Loan, or in the case of partial Prepayments the interest shall accrue on that portion so prepaid until such Prepayment date. Interest payments shall be allocated to the Source Funds in accordance with the respective share of the total

principal amount of the Loan of each individual Source Fund.

5. Loan Repayment. The Loan shall be repaid on December 31, 2029 (the “Repayment”). Notwithstanding, the City shall retain the authority to prepay all or a portion of the Loan at any time during the Loan period (a “Prepayment”). Such Repayment or Prepayment shall be conducted by resolution of the City Council. Principal and interest Repayment or Prepayments shall be allocated to the Source Funds on a proportionate manner
6. Authority to Take-Out Loan. The City shall retain full authority to take-out the Loan through other permitted means of financing; including, but not limited to, the issuance of General Obligation Revenue debt.

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

And the following voted against same: None

Whereupon said resolution was PASSED AND ADOPTED by the City Council of the City of Fosston, Minnesota, this 9th Day of February, 2015.

SIGNED:

WITNESSED:

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James Offerdahl, Mayor

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Charles Lucken, City Administrator

Motion was made by Anderson seconded by Hoialmen to approve the Animal Boarding Agreement with Mike Halland for 2015-2016 in the amount of \$150.00 per month. Motion carried by unanimous vote. The Mayor informed the council that Animal Control issues also need to be addressed. Curt Nelson has agreed to be our animal control officer if council approves. Cats are becoming quite a problem in town – especially feral cats. Cats and dogs need to be licensed and tagged. Council agreed that animals running- at- large has become a problem and Curt Nelson will do a good job for us. We will move forward on this but will get information out to the public so they are aware of what the City is doing.

Motion was made by Anderson seconded by Hoialmen to approve the Application for Exempt Permit from the Fosston-LengbyLions Club for a Raffle Fundraiser on March 2<sup>nd</sup>. Motion carried by unanimous vote.

Motion was made by Anderson seconded by Hoialmen to approve the Cell Phone Protocol & Policy for City employees. This is a reimbursement of \$40 per month for eligible employees using their personal cell phones for work. Motion carried by unanimous vote.

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

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Charles Lucken, City Administrator