

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL  
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA  
February 12, 2018

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, February 12, 2018 at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Veum, Dufault, Hoialmen and Anderson. Also present was: Charles Lucken, Cassie Heide, Lee Cariveau, David Larson, Karen Graham, Amelia Linehan, Keith Kinnen, and Lynn Eaton.

Motion was made by Anderson, seconded by Hoialmen to approve the agenda with the following modifications: Consider IRP Revolving Loan Fund loan application for Cut’N Creations, Joel Manecke, owner, in the amount of \$40,000. Motion carried by unanimous vote.

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

- A) To approve the minutes of the regular meeting held January 8, 2018 regular meeting minutes.
- B) To approve Accounts Payable Bill Listing #18-02 in the amount of \$188,721.36 and AP Bill Listing #18-02A in the amount of \$725,053.63.

COMMITTEES/BOARDS/COMMISSION:

Law Enforcement: Sheriff Barb Erdman was present to discuss matters pertaining to law enforcement.

- Zachary Folkert has been promoted and a new deputy, Chet Carlson will replace him as a contract deputy. He should be ready to come to the next council meeting to be introduced and start his patrol here shortly before or after that time.
- Deputies continue to do safe school patrols and meet with students and faculty and learn the layout of the schools.

Civic Center/Parks & Recreation: Karen Graham was present to discuss matters pertaining to her departments.

- A quote from Lee Plumbing was presented to replace cast iron water line pipes for the pool that are severely rusted. The cost to replace is \$3,565.00. There is money within the maintenance portion of the Civic Center budget for this. Council authorized Graham to proceed with the work.
- Discussion regarding the age of the boilers was had, as in the last few weeks two igniter modules have been replaced. With one boiler not running, the office can be as cold as 50

degrees. Some more research needs to be done regarding the age of the boilers and what the true problem is before replacement is considered.

- The pool floor is done and looks very nice.
- The Thirteen Towns was over to take a picture of the new pool chair lift with the donors. Rotary Club did not have a representative present for the picture.
- The hockey rink is being well utilized despite the cold weather.

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

- IPF is running well with good CBOD samples.
- Utility costs are down at the lagoon due to fewer blowers running.
- Minnkota had a couple of billing peaks so far and will possibly have one more.
- Crews are working to replace non working ripple control boxes.
- Civic Center cutover was completed at the end of January.
- Poles were cut down at the airport.
- Larson and Lyseng met with KBM to continue planning for the underground utility City Hall project.
- Street light poles will be painted throughout the spring and summer. Better lighting options for downtown will be researched.

Hospital: Roy Dufault attended his first meeting as liaison to this board and is educating himself on the operations of this board.

Airport: Lowell Veum reported those things are running smoothly at the airport. Snow removal is being kept up with and aircrafts are using the airport regularly. Lucken will meet with hangar owners to decide colors for the hangars and owners will need to choose a contractor to get the hangars painted. Larson is looking into lighting for the Anderson sign.

Star Committee: Heide reported that Frosty Days was held at the Civic Center at the end of January and it was a successful event. Continual planning of annual events is underway.

Council considered approval of liquor license applications for on sale, and Sunday On Sale applications from Ventures Bar & Grill, Daroos Pizza, and Palubicki's Inc. As well as applications for off sale from Fosston Off Sale and Palubicki's, Inc. A motion was made by Hoialmen, seconded by Anderson to approve the liquor licenses. Motion carried by unanimous vote.

Council considered approving an application for Transient Merchang License for Greg Parenteau, DBA: Oof-da Tacos. A motion was made by Dufault, seconded by Anderson to approve the application for Transient Merchang License for Greg Parenteau, DBA: Oof-da Tacos. Motion carried by unanimous vote.

Council considered a request from NW MN Multi-County HRA for additional administration funds for the 2015 Small Cities Development Program Rental Rehab Grant. Lucken reported that he met with NW MN Multi-County Executive Director Lee Meier who explained that the additional administrative costs were incurred due to extra staff work in getting landlords to apply for the rental rehab program. Dufault questioned the management of the program and if it should be the City's responsibility because they overspent. Anderson questioned why local contractors do not do the rehabilitation work for these projects. Lucken reported that the projects are bid and oftentimes local contractors do not bid the projects as they are busy with work already. Offerdahl asked Lucken what funds we have earmarked for this program. Lucken reported that it is around \$3,500. A motion was made by Anderson, seconded by Hoialmen to pay half of the requested amount. Members in favor: Veum. Members opposed: Dufault. Motion carried.

Council considered approving an application for exempt permit from Prairie Toms Chapter NWTF – Sportsmen Banquet at Ventures, March 30, 2018. A motion was made by Hoialmen, seconded by Anderson to approve the application for exempt permit from Prairie Toms Chapter NWTF – Sportsmen Banquet at Ventures, March 30, 2018. Motion carried by unanimous vote.

Lee Cariveau was present to discuss and review plans for the 2018 Street & Utility Improvements. Cariveau reported that since the last council meeting the feasibility study has been completed but did not exactly address the two parts that council had previously approved. The costs came in quite a bit higher so Cariveau split the project in half and looked at what could be eliminated. Cariveau eliminated the lift station, which created similar costs, but in the long term will minimize maintenance costs and be a better solution. Cariveau presented the options as follows, the entire project at a cost of \$816,547.48 that includes:

- 1 – New infrastructure and street to serve the 6 lots within the Aspen property – Engr Est \$434,250.35
- 2 – Reconstruct Eaton from 8<sup>th</sup> to the end of the curb and gutter \$277,104.78
- 3 – Miscellaneous spot repairs scattered throughout the city \$69,832.35
- 4 – Replacement of the concrete behind city hall and CarCo Tire One \$35,360.00

Council discussed the options at length and asked Cariveau to extend the project to the intersection outlined in the Aspen Property map outline to the third lot on the east side. Lucken will speak with David Drown about the possibility of TIF for this project. Offerdahl reported that if the cost is so great for this project that perhaps next year a project would not be done. Lucken will also look into PFA funding. These lots need to be platted before the TIF projections can be completed by David Drown's office. Lucken reported that the MMCDC has expressed interest in putting a spec house on one of the first lots on the west side and potentially more homes. A special meeting in a couple of weeks might be necessary to keep this project moving along so

that the City can advertise for bids as soon as possible. At that time, lot prices should be discussed and potentially set.

Council tabled the consideration of resolution approving plans and specifications for the 2018 street and utility improvement project and ordering advertisement of bids per conversation with Lee Cariveau.

Council considered approving the increase in the rate schedule for sanitation service for 2018. Larson reviewed the proposed rate increase. A motion was made by Anderson, seconded by Hoialmen to approve the increase in the rate schedule as presented for sanitation service for 2018. Motion carried by unanimous vote.

Council considered approving a phased retirement option agreement for City Administrator. Lucken reported that PERA has a phased retirement option where he can retire on June 30<sup>th</sup>, 2018 and return to work on July 1<sup>st</sup>, 2018. He can work up to 1044 hours per year with this option. This will allow Lucken to help a couple of days a week with the new administrator. A motion was made by Hoialmen, seconded by Anderson to approve the phased retirement option agreement for City Administrator. Motion carried by unanimous vote.

Dufault made motion, seconded by Veum to approve the IRP Loan Fund application in the amount of \$40,000 for Joel and Wanda Manecke, owners of Cut'N Creations, LLC per recommendation of F.E.D.A. with a term of 12 years at a 5% interest rate. Final disbursement subject to a favorable review of their personal financial statement and a current credit bureau report. Motion carried by unanimous vote.

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

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Charles Lucken, City Administrator