

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA
February 20, 2024

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Tuesday, February 20, 2024, at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Anderson, Dufault, LePier, and Mulry. Members absent: None. Also present was: Cassie Heide, Sarah Manecke, Stephen Larson, Steven Lyseng, Jim Juve, Mary Olson, Karen Graham, Keith Kinnen (Karvakko), Jarda Solc (AE2S), Nicole Dolejs (AE2S), Steve Swanson (AE2S), Abby Pearson, and Kristi Thorfinsson (NWHRA).

Recited the Pledge of Allegiance.

Motion was made by Anderson, seconded by Dufault to approve the agenda with modifications. Motion carried by unanimous vote.

Mayor Offerdahl reported that member LePier has submitted his resignation from the City Council. LePier has taken residency outside of city limits; thus, he is no longer able to serve on council and be a voting member. Offerdahl thanked him for his service to the community of Fosston. Offerdahl indicated that another person needed to be appointed to LePier's seat for the remainder of 2024. Mayor Offerdahl recommended appointing Abby Pearson to fill the vacant position. She lives in Fosston and has been very active in our community. With council approval, Pearson would be sworn in at next month's meeting. Motion was made by Mulry, seconded by Dufault to appoint Pearson to fill LePier's council seat for the remainder of 2024. Motion carried by unanimous vote.

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

- A) To approve the minutes of the regular meeting held January 16, 2024, and special meeting minutes from January 30, 2024 as presented.
- B) To approve Accounts Payable Bill Listing #24-02 in the amount of \$169,507.89, and Supplemental AP Bill Listing #24-02A in the amount of \$912,655.02.
- C) To approve Accounts Payable Bill Listing – Omland Court, \$3,133.12.

COMMITTEES/BOARDS/COMMISSION:

City Administration: Cassie Heide reported on matters pertaining to her department.

- Heide provided the council with an electric vehicle charging report from January.
- Heide noted that the audit in January went well. The report should be completed and presented to the council in March.

Street/Utilities/Sanitation: Steven Lyseng reported on matters pertaining to his department.

- The street department has been continuing to do maintenance around the shop since there hasn't been much snow removal this winter. Lyseng indicated that they already have the paint ordered for curbs, hydrants, etc. for this summer.
- Lyseng noted that as part of the Lead & Copper Rule Revision, the city has collected water line information from about 3/4 of homes. The Department of Health's deadline is August 15th.
- Lyseng will be attending the Minnesota Rural Water Association training March 4th – 7th.
- There was a water break on 5th St NE/Foss Ave N last week.
- Lyseng & Linehan attended training in Bemidji last week – primary focus was on p-foss, which the city has very low levels of.
- Lyseng noted that the city may need to add more gravel to Johnson Ave N due to the warmer weather causing soft road conditions. Anderson suggested that Lyseng keep track of the city's hours, equipment, etc. for hauling gravel and filling in potholes as that should be the responsibility of the contractor.
- The electrical utility staff is working on mapping and ripple controls. They purchased new iPads to be able to do digital mapping.
- 150 new electric meters arrived so staff have gradually been replacing old electric meters.
- Brady Swanson completed all his books and only has two tests remaining to finish the lineman program.
- Lyseng indicated that MMUA hosted natural gas fusion training on February 15th for Fosston, Bagley and Clearbrook.
- All annual natural gas reports are complete.
- There is still a long wait time on gas materials.

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

- Graham indicated that this was likely the shortest skating season on record due to much warmer temperatures than normal – approximately 3 weeks of good ice.
- Mark has been keeping busy with servicing lawn mowers, trimming trees, etc.
- The Lengby Parish had a “lock in” over the weekend at the Civic Center.
- Graham will be hosting a lifeguarding class to hopefully get more kids interested in lifeguarding. Although she's never had an issue with finding lifeguards for our pool, there are many other surrounding communities who have.

Police Department: Jim Juve and Mary Olson reported on matters pertaining to the police department.

- Olson reported they had 162 calls for service, 24 reports were completed, 11 citations issued, and 2 arrests made since the last council meeting.
- There has been an uptick in traffic speed, juvenile complaints, theft, and shoplifting.
- Olson indicated that they had an attempted car theft, so she reminds residents to always keep their vehicles locked and valuables out of sight.

- Although the police department has not had to deal with many parking violations due to snow, Juve indicated that they have had several other parking issues to address.
- Juve noted that Dyana and himself have pushed out 50 MN Post Board mandated policies into Lexipol.
- Juve reported that they have not had any qualified applicants for the sergeant position since the update from the last meeting. Mulry asked if the council could help in any way, to which Juve said they are open to suggestions. Juve indicated that there are 100 + agencies in Minnesota looking to hire police officers, but the demand is extremely low. Officer Olson said that area law enforcement academies are seeing fewer students graduating from the program and entering the workforce.

Community Development:

- Offerdahl informed the council that the EDA board met last evening, February 20th. Housing and childcare were discussed as usual. Heide indicated that the childcare center is doing great with enrollment at an all-time high, thirty children. The new director is doing a fantastic job. Dufault noted that all EDA loans are current.

Hospital Board:

- Heide noted that Essentia Fosston has high producing providers who are doing well at meeting metrics.
- Essentia Fosston is doing well financially and was extremely profitable again last year. As part of the Affiliation Agreement, Essentia corporate was required to re-invest the profits into our hospital; however, no capital improvements have been made to date.

Arts & Culture Commission: No report.

City Attorney:

- Larson provided the council with a brief update on the legal side of the Essentia dispute. Attorney Larson indicated that three (3) arbitrators have been selected with arbitration planned for the week of July 8-11th.

ISD 601 Superintendent: No report.

Kristi Thorfinsson, Community Development Coordinator with the NWHRA, was present to go over the policies and plans for the Small Cities Development Program grant the City of Fosston was awarded. The funds are to be used for owner-occupied housing rehabilitation. Construction will take place over 30 months, 21 homes will be rehabilitated, and the maximum SCDP contribution on any rehab is not to exceed \$22,000. Fair Housing flyers will be posted around Fosston while the grant is on-going. NWHRA will make every accommodation they can during this process. Kristi indicated that they have a list of local contractors to keep business local.

Member Mulry introduced the following resolution and moved its adoption:

**Resolution Approving Policies and Plans for
Small Cities Development Program Grant
Resolution No. 24-10**

WHEREAS: The City of Fosston has been awarded grant funds for the activity of Owner-Occupied Housing Rehabilitation and Commercial Rehabilitation from the Department of Employment and Economic Development under the Small Cities Development Program.

WHEREAS: The Minnesota Department of Employment and Economic Development requires the City of Fosston to adopt certain plans and policies to comply with Federal and State of Minnesota statutes.

BE IT RESOLVED that the Council of the City of Fosston does hereby adopt the Residential Anti-displacement and Relocation Plan for the City of Fosston.

BE IT FURTHER RESOLVED that the Council of the City of Fosston does hereby adopt the Excessive Force Policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against individuals in non-violent civil rights demonstrations.

BE IT FURTHER RESOLVED that the Council of the City of Fosston does hereby adopt the Drug Free Workplace Policy for the City of Fosston.

BE IT FURTHER RESOLVED that the Council of the City of Fosston does hereby adopt the Fair Housing Plan of Action for the City of Fosston.

BE IT FURTHER RESOLVED that the Council of the City of Fosston does hereby adopt the Fair Housing Policy for the City of Fosston.

BE IT FURTHER RESOLVED that the Council of the City of Fosston does hereby adopt the Program Income/Generated Income Plan for the City of Fosston.

BE IT FURTHER RESOLVED that the Council of the City of Fosston does hereby adopt the Section 3 Plan for the City of Fosston.

BE IT FURTHER RESOLVED that the Council of the City of Fosston does hereby adopt the Citizenship Participation Plan for the City of Fosston.

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, Mulry and Offerdahl.

and the following voted against same: None.

Whereupon said resolution was declared passed and adopted this 20th day of February 2024.

James Offerdahl, Mayor

Attest: _____
Cassie Heide, City Administrator

Council considered approval of an annual tax increment payment to D3D in the amount of \$4,572.

Motion was made by Dufault, seconded by Mulry to approve the annual tax increment payment to D3D in the amount of \$4,572. Motion carried by unanimous vote.

Member Dufault introduced the following resolution and moved its adoption:

**RESOLUTION DESIGNATING POLLING PLACE
FOR PRECINCT ONE IN THE CITY OF FOSSTON
RESOLUTION NO. 24-11**

WHEREAS, Minnesota Statutes, Section 204B.16, Subd. 1, Polling Place Designation, in the 2024 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 3rd Street NE, as the polling place for Precinct One for 2024.

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

and the following voted against same: None.

Whereupon said resolution was declared passed and adopted this 20th day of February 2024.

James Offerdahl, Mayor

Attest:

Cassie Heide, City Administrator

Council considered adopting a resolution approving of a damage's stipulation in relation to the Essentia dispute. Attorney Larson recommended that the council table this resolution until next meeting in light of new information he received prior to tonight's meeting. In our demand for Arbitration, the City alleged, among other things, a breach of contract and requested an award for damages. Larson stated it is important for the city to move forward in the process, but the new information needs to be evaluated before passing and signing the resolution.

Motion was made by Dufault, seconded by Mulry to table the resolution approving of a damage's stipulation in relation to the Essentia dispute until the next council meeting. Motion carried by unanimous vote.

Steve Swanson, AE2S, was present to go over the preliminary plat of the Fosston Industrial Park Fourth Addition with council. Swanson indicated that Garden Valley agreed to the join the plat. Their lot will be about five feet shorter, but their water and sewer services will be improved. Garden Valley has a fence on the north side of the property that will be grandfathered in until it falls over or gets in the way. With council approval, Swanson will have Garden Valley sign the Encroachment Agreement.

Motion was made by Mulry, seconded by Dufault to allow AE2S to move forward with having the Encroachment Agreement signed by Garden Valley. Motion carried by unanimous vote.

Member Dufault introduced the following resolution and moved its adoption:

**CITY OF FOSSTON
COUNTY OF POLK
STATE OF MINNESOTA
RESOLUTION NO. 24-12
A RESOLUTION APPROVING THE PRELIMINARY PLAT OF
THE FOSSTON INDUSTRIAL PARK FOURTH ADDITION**

WHEREAS, the City is proposing to plat land into a 14-lot subdivision; and

WHEREAS, the subject property is currently zoned Agricultural and Industrial; and

WHEREAS, the subject property advances Economic Development Goal #1 in the Fosston 2040 Comprehensive Plan to *Expand the industrial base in the community*; and

WHEREAS, all lots in the proposed plat conform to the minimum requirements of the Industrial District; and

WHEREAS, the Planning Commission will hold a public hearing to consider the matter at a meeting on March 11, 2024, and members of the public will be provided the opportunity to comment and present information to the Planning Commission; and

WHEREAS, the Planning Commission has considered all the comments and the City Engineer's report; and

WHEREAS, the Planning Commission of the City of Fosston made the following Findings of Fact in relation to the recommendation of approval:

1. The proposed plat is consistent with the intent of the Fosston Comprehensive Plan.
2. The proposed plat will be consistent with the present and future zoning and land uses in the area.
3. The proposed plat will meet the requirements of the Fosston Zoning Ordinance.
4. The proposed plat will not create undue burdens on public systems, including streets and utilities.
5. The proposed plat will not create substantial impacts, visual or otherwise, on neighboring land uses.

WHEREAS, the Fosston City Council reviewed the recommendation of the Planning Commission; and

WHEREAS, the Fosston City Council reviewed the preliminary plat on February 20, 2024 and the final plat on March 11, 2024; and

WHEREAS, the City Council of the City of Fosston makes the following Findings of Fact in relation to the approval:

1. The Final Plat provides an appropriate means of furthering the intent of the Comprehensive Plan for the site by putting the proposed improvements and parcels to industrial use.
2. The proposed improvements on the site under the Final Plat are consistent with the needs of the development in this location as a industrial area.
3. The improvements will have expected impacts on public services, including water, sewer, stormwater and traffic which have been planned to serve the property for the development proposed.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Fosston, Minnesota that the preliminary plat of the Fosston Industrial Park Fourth Addition is hereby approved.

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

and the following voted against same: None.

Whereupon said resolution was declared passed and adopted this 20th day of February 2024.

James Offerdahl, Mayor

ATTEST:

Cassie Heide, City Administrator

Council considered moving the City's primary checking account from First National Bank to Ultima Bank Minnesota, Fosston Branch. Heide has been approached by Mark Finstad, Senior Advisor at Ultima Bank Minnesota (UBM), a few times regarding UBM providing full banking services to the City of Fosston, including its primary checking account. Heide stated that not only does UBM want to build its customer base, but according to Finstad, they continue to be the largest contributor to local Fosston charitable causes when compared to other financial institutions in the community. Heide said she doesn't have a recommendation and either bank would be just fine to work with. Mayor Offerdahl noted that UBM has been highly responsible over the years and he would be in favor of moving the checking account. Heide did note that she moved some funds into a 12-month CD at UBM as they have significantly higher rates of interest being collected than First National Bank. Anderson believes the City's primary checking account should remain where it's at. Being she handles the financials, Mulry asked Heide to give her honest recommendation. Heide would recommend UBM because they partner with our community better than FNB does.

Motion was made by Mulry to move the City's primary checking account to Ultima Bank Minnesota, Fosston Branch, but failed due to the lack of a second.

Keith Kinnen, Karvako was present to discuss the Airport, FIT Trail Expansion, and TAP/Berge Park Sidewalk project.

Airport – Kinnen indicated that he continues to work through the master plan. They are working through the design phase of the new AWOS system. The design has been submitted to the FAA and Kinnen is waiting on comments. He's hoping to have it ready to bid in April.

FIT Trail Expansion – Kinnen noted that they are sorting through some right of way items on Phase 1. The grant is through the summer of 2025.

TAP/Berge Park Sidewalk project – They are looking to bid the project in April/May with construction starting summer of 2024. Kinnen hopes to have a set of plans ready for the next meeting.

Omland Court Re-surfacing – This project is out for bid. Eleven contractors have shown interest in the project. Bids will be opened on Tuesday, February 27th at 10 a.m.

Highway 2 Re-design – Questions are being asked again on this project.

Dufault inquired about when the Johnson Ave N asphalt will be done as he's been asked by community members. Kinnen is hoping for early Spring and indicated that liquidated damages against the contractor may begin as soon as road restrictions are lifted.

Jarda Solc, AE2S, was present to discuss the 2024 Industrial Park/Airport Utilities and Hangar project. Solc indicated that EDA has everything they need but has been slow to respond. We need a letter from the EDA before we can advertise for bids.

A forum for members of the public present to speak was held. No one from the public wished to speak during this forum.

Anderson mentioned the idea of a dog park in Berge Stafford Park due to its open space, electricity & water availability. Heide suggested they have a parks & recreation committee meeting to discuss this further.

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

Cassandra Heide, City Administrator