

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL  
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA  
July 15, 2024

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, July 15, 2024, at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Anderson, Pearson, and Mulry. Members absent: Dufault. Also present was: Cassie Heide, Amelia Linehan, Steven Lyseng, Shane Linehan, Keith Kinnen (Karvakko Engineering), Karen Graham, Callen Weispfennig, Jarda Solc (AE2s Engineering), Elizabeth Wefel (Coalition of Greater MN Cities), Bob Overmoe, Mark Hagen, Kenny Olson, Bonnie Stewart, Chief Juve, Officer Olson. Present via Zoom: City Attorney Stephen Larson.

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

Heide informed the council of modifications to the Agenda with two additional resolutions and a change order being added; a resolution accepting bid and awarding contract for 2024 Industrial Park Project, a resolution accepting bid and awarding contract for 2024 Industrial Park Project-T-Hangar, as well as a change order for Davidson Construction for the Runway 16/34 Reconstruction project.

Motion was made by Mulry, seconded by Anderson to approve Consent Agenda items A., B., C as presented with the modifications. Motion carried by unanimous vote.

- A) To approve the minutes of the regular meeting held June 10, 2024, and minutes of the special meeting held July 3, 2024.
- B) To approve Accounts Payable Bill Listing #24-07 in the amount of \$210,680.98 and Supplemental AP Bill Listing #24-07A in the amount of \$766,064.04
- C) To approve Accounts Payable Bill Listing – Omland Court, \$3,329.80.

COMMITTEES/BOARDS/COMMISSION:

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

- Heide informed the council of mosquito spraying applications typically completed twice a year. Once scheduled, a press release is issued to the public. There has not been mosquito spraying in 2024 the company has not reached out. Other communities have reached out to Heide looking for information on a spraying company as they haven't had luck either. A member of the community has raised concerns regarding the chemical used in mosquito control. Heide was provided chemical information from the company. The chemical is permethrin. The community member was notified and is concerned with this chemical. There was discussion on other mosquito control options including using a sprayer on the back of a city vehicle. No action was taken on mosquito control for 2024, however approval was given earlier in the year.

- Heide informed the council that a \$250,000 Carbon Reduction Program grant was awarded to the City of Fosston for the 2<sup>nd</sup> St. NE sidewalk project. This project could potentially be done next year or 2026.
- Heide noted all new roles in the office are going well. The preliminary budget for 2025 is nearly complete. The final payment to the PFA loan for the water plant is being made.

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

- The street department has been sweeping streets, mowing, adding gravel to the alleys, maintaining/mowing the airport field, and spraying weeds. Staff have also been busy with picking up and hauling brush and yard waste from yards.
- Lyseng reported MDV has been down since July 3<sup>rd</sup> and will be up and running in the coming week. During this time staff replaced the water meter, which will allow for a more accurate read each month.
- Lyseng informed the council the ponds are in good shape; 1 load of alum is on hand to be distributed in the Fall.
- The Hydraulic Study completed by AE2s showed adequate flow in all areas.
- Lyseng also informed the council the Johnson Ave project is complete, the Omland Court project started on June 17<sup>th</sup> with concrete complete, tar completion date will be dependent on the weather conditions.
- The old tornado siren in front of the city hall has been taken down.
- MNOPS is complete, the annual leak survey is completed, and there will be 3 natural gas installations in the coming week.

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

- Graham reported that the Summer Rec programs are going well and will be finishing up the week of July 15<sup>th</sup>.
- Graham informed the council that multiple boards on the boardwalk are separating and becoming difficult to maintain and pose a safety issue. Heide provided previous cost estimates completed by Karvakko Engineering in 2021 showing a boardwalk replacement with the railings estimated at \$537,000 and replacement without the railing estimated at \$476,000. Heide suggested alternative funding be considered. Anderson suggested sandbags be placed temporarily. Kinnen informed the council that the wetland has been delineated and wetland credits that can be purchased to mitigate the wetland. Offerdahl reported on the importance of the boardwalk and suggested the priority on the matter be raised.
- Graham reported staff members have been busy mowing and maintaining the parks.

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

- Olson reported the month of June had 150 calls for service, 14 citations/7 of which were criminal charges, 24 calls variety and agency assists.

- Juve informed the council of Officer Hanson's last working day as June 12<sup>th</sup>. Officer Senn has been training/working with Chief Juve, Seargent Juve, and Officer Olson.
- City ordinances regarding yards, vehicles, animal licensing have been enforced by law enforcement.
- Juve reported on speeding complaints within city limits, traffic control is in effect.
- Seargent Juve is working on securing a veterinarian to complete a one-day vet clinic in Fosston which would allow residents to vaccinate, register and license their pet.
- Chief Juve stated he is settling into the new position, and all is going well.
- The police department purchased new scheduling software within the current time clock that will be beneficial to the department.

Community Development:

- Heide reported the EDA met at noon discussing Greater Minnesota Management interest in sourcing homes which would consist of purchasing homes and renting them out. GMM currently manages Omland court, collects rent, and maintains the property.
- Heide informed the council that Prairie Pines Childcare Center is currently at its highest enrollment to date consisting of 33 children/families.
- Heide reported the new marketing campaign, find your place in Fosston is complete with in the website built out.

Hospital Board: Future Directors Council meetings have been cancelled on Heide's calendar.

Arts & Culture Commission: No report.

City Attorney: Stephen Larson

- Larson reported on arbitration matters with Essentia. Trial participants did an excellent job. The arbitration panel has 60 days to make a ruling. That timeline will start once the finding of fact are submitted by each party to the panel. If the city receives a favorable decision, they will need to act upon the decision within 30 days. A special council meeting will need to be held once the outcome is decided. Larson reported that he is cautiously optimistic on the ruling.

ISD 601 Superintendent: No report.

Elizabeth Wefel with the Coalition of Greater Minnesota Cities presented to the council on EMS Aid and Housing & Zoning bills. A PowerPoint on the 2024 Session Report, Election 2025 Session, and Bill Yields were presented. Financial charts and breakdowns were also provided as well as requirements needed in obtaining the bills.

Member Pearson introduced the following resolution and moved its adoption:

**CITY OF FOSSTON  
COUNTY OF POLK  
STATE OF MINNESOTA  
RESOLUTION NO. 24-25**

**A RESOLUTION ESTABLISHING A FIRE ESCROW ACCOUNT PURSUANT TO**

**Minn. Stat. § 65A.50**

**WHEREAS**, Minn. Stat. § 65A.50 (“the statute”) authorizes a city to establish a trust or escrow account to receive a portion of insurance settlement proceeds from a claim on real property located in the city that is damaged by fire or explosion.

**WHEREAS**, the proceeds received by the city are used as security to ensure that the damaged property is repaired, replaced, removed, or demolished and brought into compliance with city ordinances.

**WHEREAS**, the city finds that damaged structures may violate existing health or safety standards which endanger the public health, safety, and welfare if the damaged structures are not repaired, replaced, or removed.

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

1. That pursuant to Minn. Stat. § 65A.50, the City Council of Fosston does hereby establish an escrow account to receive a portion of insured real property fire or explosion settlement proceeds as prescribed by the statute.
2. That the City of Fosston intends to uniformly apply Minn. Stat. § 65A.50 with respect to all property located within the city.
3. That the city Fosston be authorized to proceed to establish the escrow account as provided for in the statute.

4. That the city Administrator give the required written notification to the commissioner of Commerce of the city's intention to apply Minn. Stat. § 65A.50 **Error! Bookmark not defined.** and the establishment of the escrow account.
5. That the city Administrator is authorized to execute affidavits certifying violations of health and safety standards as required by Minn. Stat. § 65A.50, subd. 3.
6. That the city Administrator is authorized to receive reasonable proof that damaged or destroyed portions of an insured structure are repaired, replaced, or removed or that an insured has entered into a contract for repair, replacement, or removal of the damaged portions as required by Minn. Stat. § 65A.50, subd. 8.

The motion for the adoption of the foregoing resolution was duly seconded by member Anderson and upon vote be taken thereon the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared passed and adopted this 15<sup>th</sup> day of July 2024.

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**James Offerdahl, Mayor**

**ATTEST:**

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**Cassie Heide, City Administrator**

Heide briefed the council regarding properties that may be damaged by a fire and cause a nuisance. Insurance money can be placed into an escrow account until the property is taken care of, the above resolution ensures the protection of future properties affected by fire damage.

Member Mulry introduced the following resolution and moved its adoption:

**CITY OF FOSSTON  
COUNTY OF POLK  
STATE OF MINNESOTA**

**RESOLUTION NO. 24-26**

**A RESOLUTION ADDING AND APPOINTING MEMBERS  
TO THE FIRST CARE TASK FORCE**

**WHEREAS**, the City Council appointed members and formed the First Care Task Force on April 8, 2024;

**WHEREAS**, additional community members have come forth willing and motivated to serve the cause of the First Care Task Force;

**THEREFORE, BE IT RESOLVED:** The City Council does hereby make the following additional appointments:

Tracy Ware  
Ruby Sistasd  
Kim Spaeth  
Callen Weispfennig  
Todd Selk

The motion for the adoption of the foregoing resolution was duly seconded by member Pearson and upon vote be taken thereon the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared passed and adopted this 15<sup>th</sup> day of July 2024.

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**James Offerdahl, Mayor**

**ATTEST:**

**Cassie Heide, City Administrator**

Member Anderson introduced the following resolution and moved its adoption:

**CITY OF FOSSTON  
COUNTY OF POLK  
STATE OF MINNESOTA**

**RESOLUTION NO. 24-27**

**RESOLUTION APPROVING STATE OF MINNESOTA JOINT POWERS  
AGREEMENTS WITH THE CITY OF FOSSTON ON BEHALF OF ITS CITY  
ATTORNEY AND POLICE DEPARTMENT**

WHEREAS, the City of Fosston on behalf of its Prosecuting Attorney and Police Department desires to enter into Joint Powers Agreements with the State of Minnesota, Department of Public Safety, Bureau of Criminal Apprehension to use systems and tools available over the State's criminal justice data communications network for which the City is eligible. The Joint Powers Agreements further provide the City with the ability to add, modify and delete connectivity, systems and tools over the five-year life of the agreement and obligates the City to pay the costs for the network connection.

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

1. That the State of Minnesota Joint Powers Agreements by and between the State of Minnesota acting through its Department of Public Safety, Bureau of Criminal Apprehension and the City of Fosston on behalf of its Prosecuting Attorney and Police Department, are hereby approved.
2. That the Chief of Police, Phillip Juve, or his or her successor, is designated the Authorized Representative for the Police Department. The Authorized Representative is also authorized to sign any subsequent amendment or agreement that may be required by the State of Minnesota to maintain the City's connection to the systems and tools offered by the State.

3. That the city attorney, Stephen Larson, or his or her successor, is designated the Authorized Representative for the Prosecuting Attorney. The Authorized Representative is also authorized to sign any subsequent amendment or agreement that may be required by the State of Minnesota to maintain the City's connection to the systems and tools offered by the State.

4. That James Offerdahl, the Mayor for the City of Fosston, and Cassie Heide, the City Clerk/City Administrator, are authorized to sign the State of Minnesota Joint Powers Agreements.

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

and the following voted against the same: none.

Whereupon said resolution was declared passed and adopted this 15<sup>th</sup> day of July 2024.

CITY OF FOSSTON

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By: James Offerdahl

Its Mayor

ATTEST: \_\_\_\_\_

By: Cassie Heide

Its City Clerk/City Administrator

Chief Juve briefed the council on the BCA logins required for each officer. Law enforcements are required to log in to the VPN. Currently the Fosston Police Department have one license, the resolution is required to add an additional license allowing more than one officer to log in at a time.

Heide addressed the council with a recommendation to consider approval of new hire Callen Weispfennig as the Healthcare Administrator with the City of Fosston as an interim employer from 90 days to eighteen months. Weispfennig would work with the task force and all sub-committees. Bob Overmoe on behalf of the First Care Task Force strongly recommended the city hire Weispfennig as a temporary employee having the knowledge, experience, and expertise to assist the city in the potential transaction back to First Care Medical Services. Mark Finseth, a First Care Task Force member spoke highly of Weispfennig's character and ability to work closely with the task force during the potential transition. Heide informed the council all costs tracked as all expenses related to this dispute have been and will ultimately be passed along to First Care Medical Services to be paid back to the city.

Motion was made by Mulry, seconded by Anderson, to approve the new hire of the Healthcare Administrator. Motion carried by unanimous vote.

Council considered approval of the Wage Market Study by David Drown Associates and Implementation effective January 1, 2025.

Heide reported that the previously approved market study has been completed. Data from eighteen cities were considered and reviewed last Fall and again this Spring. The wages that would go into effect January 1, 2025, are included in the preliminary budget work that Heide has done thus far and doesn't see a substantial levy increase at this time. Heide explained most staff members are paid out of the enterprise fund, only the police department, rec department and a portion of Administrator wages are general fund expenses. Heide reported that the purpose of the restructuring in the proposed layout is for competitiveness and allowance for growth.

Motion was made by Anderson, seconded by Mulry to approve the Wage Market Study by David Drown Associates and Implementation effective January 1, 2025.

Council considered approval of Pay Estimate No. 6 to Hagen Construction in the amount of \$442,592.58.

Kinnen will review the pay estimate.

Motion was made by Pearson, seconded by Anderson to approve Pay Estimate No. 6 to Hagen Construction in the amount of \$442,592.58 contingent upon Kinnen's approval.

Member Anderson introduced the following resolution and moved its adoption:

**RESOLUTION ACCEPTING BID AND AWARDED CONTRACT  
FOR 2024 INDUSTRIAL PARK PROJECT**

**RESOLUTION NO. 24-28**

WHEREAS, pursuant to an advertisement for bids for the improvement of the following PROJECT:

WHEREAS, bids were received, opened and tabulated according to law, and two (2) bids were received complying with the advertisement as follows:

Sellin Brothers, Inc.	Base Bid	\$ 866,511.00
40739 US 71	Alt Bid #1	\$ <u>88,554.00</u>
Hawley, MN 56549	TOTAL BID	\$ 955,065.00

Davidson Construction	Base Bid	\$ 740,968.30
65 State St.	Alt Bid #1	\$ <u>77,728.44</u>
Newfolden, MN 56738	TOTAL BID	\$ 818,696.74

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

1. The Mayor and City Administrator are hereby authorized to enter into an agreement with Gordon Construction of Mahnomon, Inc., Minnesota in the name of the City of Fosston for the 2024 Industrial Park Project, Total Bid of \$3,972,328.75.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

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

And the following voted against same:

Whereupon said resolution was declared passed and adopted this 15<sup>th</sup> day of July 2024.

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James Offerdahl, Mayor

ATTEST:

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Cassie Heide, City Administrator

Member Mulry introduced the following resolution and moved its adoption:

**RESOLUTION ACCEPTING BID AND AWARDING CONTRACT  
FOR 2024 INDUSTRIAL PARK PROJECT – T-HANGAR**

**RESOLUTION NO. 24-29**

WHEREAS, pursuant to an advertisement for bids for the improvement of the following PROJECT:

WHEREAS, bids were received, opened and tabulated according to law, and three (3) bids were received complying with the advertisement as follows:

Gustafson & Goudge, Inc. 46909 State 92 PO Box 28 Clearbrook, MN 56634	TOTAL BID \$ 1,993,646.19
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Bradbury Stamm Construction Winkelman LLC 23823 67 <sup>th</sup> Ave St Cloud, MN 56301	TOTAL BID \$ 2,209,949.80
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ICS, Inc. 2500 State Mill Road Grand Forks, ND 58203	TOTAL BID \$ 2,498,057.00
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NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FOSSTON, MINNESOTA

3. The Mayor and City Administrator are hereby authorized to enter into an agreement with Gustafson & Goudge, Inc., Clearbrook, Minnesota in the name of the City of Fosston for the 2024 Industrial Park Project – T-Hangar, Total Bid of \$1,993,646.19.
4. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

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:

Whereupon said resolution was declared passed and adopted this 15<sup>th</sup> day of July 2024.

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James Offerdahl, Mayor

ATTEST:

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Cassie Heide, City Administrator

Council considered approval of Change Order No. 1 to Davidson Construction in the amount of \$51,440.40 for the Runway 16/34 Reconstruction project.

Kinnen briefed the council that the existing control panel is not compatible and needs to be replaced. The change order is cost neutral to the city.

Motion was made by Pearson, seconded by Anderson to approve Change Order No. 1 to Davidson Construction in the amount of \$51,440.40 for the Runway 16/34 Reconstruction project.

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

Airport-Kinnen indicated the erosion control was removed last week, the MPCA permit closed out, and the AWOS project will be ready to bid in the spring. Changes have been made by MNDOT to the plan, once received, bids will be taken.

Fit Trail Expansion- Title work is being completed for right of way acquisition, no further updates.

Berge Park-Kinnen informed the council the plans are submitted and waiting on final approval from MNDOT. It is likely we will not be able to do the project this year due to poor bidding time. Kinnen will work with MNDOT to get approval for this project to carry over to next year.

Civic Center/Omland Court-Kinnen indicated the weather/heat conditions are causing delays, but, the project is on schedule.

Jarda Solc, AE2S- 2024 Industrial Park/Airport Utilities and Hangar project.

Solc informed the council they are working on the prereview on Widseth's wastewater design, an amendment will need to be completed in the fall.

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

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

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Cassandra Heide, City Administrator