

MINUTES OF THE PROCEEDINGS OF THE SPECIAL
MEETING OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA
June 22, 2020

Pursuant to due call and notice thereof a special meeting of the City Council of the City of Fosston, Polk County Minnesota was held in Council Chambers on Monday, June 22, 2020 at 7:00 p.m.

Mayor Offerdahl called the meeting to order with the following members present: Hoialmen, Anderson, Dufault, and Bosselman (via zoom). Member absent: none. Also present was City Administrator Chuck Lucken, Assistant City Administrator Cassie Heide, Director of Public Works Dave Larson and Assistant Director of Public Works Steven Lyseng.

Mayor Offerdahl explained the purpose of the meeting is six agenda items as posted.

Council considered approving a loan application from Beth Munter for reopening Maple Ridge Café as Maple Pine Café in the amount of \$20,000. Mayor Offerdahl explained that the Economic Development Authority met at noon where Munter was present to discuss her plans for reopening and has considered COVID-19 impacts as well as taken prior operation financials and data to incorporate into her business plan. The E.D.A. has recommended approving the loan for \$20,000 at a five year term with five percent interest, contingent upon taking a shared second position on the business and a personal guarantee.

Motion was made by Hoialmen, seconded by Anderson to approve the loan to Beth Munter, Maple Pine Café in the amount of \$20,000 at a five year term with five percent interest, contingent upon taking a shared second position on the business and a personal guarantee per recommendation of the E.D.A. Motion carried by unanimous vote.

Council considered approving loan terms for previously approved loan to D3D. D3D has requested payment deferral until the building occupancy certificate is received. Mayor Offerdahl explained that the E.D.A. board took up this item at their noon meeting and is recommending approving principal payment deferral until the building occupancy certificate is received, but not later than six months from date of loan closing.

Motion was made by Anderson, seconded by Bosselman to approve principal payment deferral until the building occupancy certificate is received, but not later than six months from date of loan closing for D3D loan. Motion carried by unanimous vote.

Council considered approval of the 2020-2021 Civic Center lease with revised language as follows: If the Leased Premises, or any portion thereof, becomes unusable as a result of a disaster or other unforeseeable event with has not been caused by the Lessee, the City shall have no obligation to provide alternative space for the use contemplated herein. In the event a portion of the Leased Premises becomes unusable under the foregoing circumstances, the Lessee shall still be responsible for a prorated amount of rental based upon the remaining usable portion of the

Leased Premises. Or, if the Lessee experiences an event that changes their ability to use the Leased Premises, the City and Lessee shall renegotiate the lease in good faith at the Lessee's request. Mayor Offerdahl explained that Heide, Dufault and himself met with Superintendent Chase and board chair Ware after our last regular council meeting to discuss the lease and came up with the language that seemed most suitable for both parties.

Motion was made by Anderson, seconded by Dufault to approve the 2020-2021 Civic Center Lease with Independent School District 601 as presented. Bosselman voted in the nay. Motion carried.

Council reviewed a COVID-19 preparedness plan. Heide informed the council that the plan has been tailored to fit the City of Fosston but was based off a Department of Labor and Industry template. A plan must be adopted by June 29, 2020.

Motion was made by Dufault, seconded by Anderson to approve the COVID-19 preparedness plan as presented. Motion carried by unanimous vote.

Council considered quotes for a new garbage truck and chassis under the state bid process. Larson reported that street superintendent James London has worked with company representatives on the appropriate equipment specifications. Larson intends to keep the old chassis and use as a dump truck. Lucken reported that there are funds available through reserves in the sanitation department.

Motion was made by Hoialmen, seconded by Anderson to approve the purchase of a new garbage truck and chassis under the state bid process as presented. Motion carried by unanimous vote.

Council received two sealed bids for sidewalk replacement and concrete installation at various sites in the City including the two sidewalks downtown on the East side of Kaiser Avenue North and the East side of Johnson Avenue North that were part of the 2015 lawsuit for sub-quality concrete. The city has 184 cubic yards of concrete of a higher grade to use from Lakes Concrete as part of the legal settlement. Heide, Lyseng and Larson identified removal and replacement behind City Hall and an apron at the City shop for other areas to utilize the concrete. Heide reached out to affected businesses several weeks ago to give the opportunity to leave the sidewalks as is or to have them replaced. The consensus of the businesses on both Kaiser Avenue North and Johnson Avenue North wished to have their sidewalks replaced. CarCo Tire One/Farmers Union Insurance declined having their concrete replaced.

Mayor Offerdahl informed the council that three local contractors were given the opportunity to bid including Travis Quam Construction, Lenex Sand and Gravel and Chris Killian. Lenex Sand and Gravel declined, and Chris Killian did not get further information on the project upon initial conversation with Heide. Travis Quam indicated intentions to bid. A second bidder, Osland

Concrete Construction was asked to bid in order to have at least two bids. Osland Concrete Construction owner is Cassie Heide's father.

Two sealed bids were received for the work as described above. The first opened bid was from Osland Concrete Construction of Erskine in the amount of \$107,600. The second opened bid was from Travis Quam Construction in the amount of \$106,661.

Mayor Offerdahl expressed his desire to re-assess the need to replace the sidewalks downtown as the costs of the replacement far exceeds the \$47,500 received in cash in the legal settlement. Offerdahl would like the staff to re-assess the most important area where costs can be kept to a minimum while using the majority, if not all, of the concrete owed by Lakes Concrete.

Motion was made by Bosselman, seconded by Hoialmen to table awarding bids to allow staff to better identify the needs of the City. Motion carried by unanimous vote.

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

Charles Lucken, City Administrator