

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA
MARCH 10, 2014

The regular meeting of the City Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, March 10, 2014 at 7:00 p.m. The meeting was called to order by Mayor Offerdahl with the following members present: Veum, Dufault and Lambert. Member absent: Carlson. Also present was Dean Vikan, Dave Larson, Barb Sweep, Greg Mireault, John Nord, Gabe Weiner, Linda Nelson, Bruce Nelson, Roger Sjulson, Woody Enerson, Charlie Balstad, Scott Balstad, Joe Schmidt, Allen Potvin, Pat Hanlon and Lee Cariveau.

Motion was made by Lambert seconded by Veum to approve the agenda with the following modifications: Motion carried by unanimous vote.

- 2.1 Resolution authorizing PFA Loan Application – 2nd Street South
- 2.2 Resolution Authorizing PFA Loan Application – 2nd Street North (Project renamed Downtown Utility and Street Improvements)
- 2.3 Resolution Calling Public Hearing on Modifying TIF District 1-11.
- 2.4 Approval of FIT Trail Easements and Acquisition.
- 2.5 Resolution Approving Firm Electric Service Contract with WAPA

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

- A. To approve the minutes of the regular meeting held February 10, 2014 as per copies furnished each member.
- B. To approve Accounts Payable Bill Listing #14-03 in the amount of \$108,468.00 and AP Bill Listing #14-03A in the amount of \$38,494.07.

COMMITTEES/BOARDS/COMMISSION:

Law Enforcement – No Report

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

- We have residents running their water to prevent service line freeze ups.
- Some sewers have been freezing up also. Crews have been working on these. The steamer motor went out on the equipment today so we will be looking at replacing that.
- There have been five water breaks so far.
- Three individuals were interviewed for the Sanitation Worker position. The recommendation is to hire Ryan Handyside. Motion was made by Dufault seconded by Veum to approve hiring Ryan Handyside subject to completion of a background check. Motion carried by unanimous vote.

Civic Center/Parks & Recreation: Pat Hanlon reported on Civic Center/Parks & Recreation matters:

- The new pool cover has been installed. However, the brake that attaches to the motor has malfunctioned. Al's Electric will re-wire when the new part comes in.
- The Civic Center has been busy with birthday parties, etc.
- Karen Graham, Laurel Skala, Chuck Lucken and Lowell Veum met with Architect Tom Jones regarding a multi-purpose building to replace older, dilapidated ones at the Sports Complex

including bathroom facilities. This is part of an Outdoor Recreation Grant Application that Karen will be submitting to the State.

- Hanlon reported on a Softball & Baseball Fundraising Proposal that involves selling advertising to businesses. These are mesh signs to be placed on the fencing surrounding the ball fields. Hanlon reports that the school has committed to purchasing a 4 x 8 and Hanlon would like the City to purchase one also at a cost of \$200.00. Motion was made by Veum seconded by Lambert to approve the purchase of a 4 x 8 sign for the Outfield Fence at a cost of \$200.00. Motion carried by unanimous vote.
- The Aquatics Program is coming together nicely. Grygla is coming back to Fosston again this year.

Hospital – The grant application for a helipad will be submitted this week.

Community/Economic Development:

- Lucken reports that the Grant was approved for the Downtown Development Project. This was for \$277,500 and is a matching grant.

Airport:

- Veum reported that the back north door to the SRE building will not open as the cement is heaved up. Larson will look at it.

The Mayor opened the Public Hearing for the 2014 Street & Alley Improvement Projects at 7:37 p.m. City Engineer Lee Cariveau gave an overview of the projects. The Second Street South Project includes installing watermain from Mark to Granum; do some storm sewer and a smaller amount of sanitary sewer rehab. The goal is to have this street drivable by harvest time. The project includes paving with curb and gutter as well as some sidewalk. The second lift of asphalt is scheduled for 2015. This project will be bid in two parts – Mark to Johnson and Johnson to Granum. We can go out for bids on this but cannot award until the bonding bill is complete in the Legislature. Scott Balstad and Charlie Balstad were present to discuss how this project will affect the potato warehouse they own on the West side of South Mark Avenue adjacent to the street project. The elevation of the street will change but drainage should improve. This project won't affect the warehouse as far as additional taxes. Joe Schmidt wondered how far south the curb and gutter would get moved. Cariveau informed him that it will stay in the same place. Cariveau also explained that the plan is to make this a ten ton road. We're going from 3" of asphalt to two feet of gravel and sand and 5" asphalt thickness on top. There will also be fabric drain tile.

The Brandt Avenue Project is tied to and built in conjunction with the Columbia Road Reconstruction by Polk County. This will be a re-build with curb along the east side. The West side in front of the Nyhus property will be a small concrete strip.

The Second Street North Project; Johnson to Mark; Johnson/Inderlee Alley; Johnson Avenue – Watermain replacement from Highway 2 to Second Street as well as Storm Sewer. This project calls for open trench on Johnson Avenue from Highway 2 to Second Street. The other parts of the project may be done by directional boring. Some diagonal parking on the East side of Johnson Avenue is also in the plans. Business owners along this street expressed concerns about the safety of diagonal parking along here. All agree that more parking is needed by safety needs to be looked at as well. Bruce Nelson suggested getting better information out to those most affected by this project – the business owners. We need to work hard to ensure that people have access to the businesses and that the businesses have

water during this construction period. After further lengthy discussion on this project, it was decided that business owners will be invited to the preconstruction meeting to discuss phasing this project and other concerns.

There being no further discussion, the hearing was closed at 9:01 p.m.

Member Veum introduced the following resolution and moved its adoption:

**RESOLUTION ORDERING THE
2014 2ND STREET NORTH IMPROVEMENT PROJECT
AND PREPARATION OF PLANS
RESOLUTION NO. 14-20**

WHEREAS, pursuant to resolution of the council adopted February 10, 2014, fixed a date for a council hearing on the proposed improvement of the following streets and avenues:

Second Street North between Johnson Avenue North and Mark Avenue North

AND WHEREAS, ten days mailed notice and two weeks' published notice of the hearing was given, and the hearing was held thereon on the 10th day of March, 2014, at which all persons desiring to be heard were given an opportunity to be heard thereon,

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

1. Such improvement is necessary, cost-effective, and feasible, as detailed in the feasibility report.
2. Such improvement is hereby ordered as proposed in the council resolution adopted March 10, 2014.
3. Lee Cariveau, P.E., Widseth Smith Nolting, is hereby designated as the engineer for this improvement. The engineer shall prepare plans and specifications for the making of such improvements.
4. The city council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of the tax-exempt bond.

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

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 10th day of March, 2014.

Jim Offerdahl, Mayor

Attest: _____
Charles Lucken, City Administrator

Member Veum introduced the following resolution and moved its adoption:

**RESOLUTION ORDERING THE
2014 2ND STREET SOUTH IMPROVEMENT PROJECT
AND PREPARATION OF PLANS
RESOLUTION NO. 14-21**

WHEREAS, pursuant to resolution of the council adopted February 10, 2014, fixed a date for a council hearing on the proposed improvement of the following streets and avenues:

Second StreetSouth between Granum Avenue South and Mark Avenue South

AND WHEREAS, ten days mailed notice and two weeks' published notice of the hearing was given, and the hearing was held thereon on the 10th day of March, 2014, at which all persons desiring to be heard were given an opportunity to be heard thereon,

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

5. Such improvement is necessary, cost-effective, and feasible, as detailed in the feasibility report.
6. Such improvement is hereby ordered as proposed in the council resolution adopted March 10, 2014.
7. Lee Cariveau, P.E., Widseth Smith Nolting, is hereby designated as the engineer for this improvement. The engineer shall prepare plans and specifications for the making of such improvements.
8. The city council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of the tax-exempt bond.

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

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 10th day of March, 2014.

Jim Offerdahl, Mayor

Attest:

Charles Lucken, City Administrator

Member Dufault introduced the following resolution and moved its adoption:

**RESOLUTION APPROVING PLANS
AND SPECIFICATIONS FOR THE FOSSTON INSPIRATION TRAIL
AND ORDERING ADVERTISEMENT FOR BIDS
RESOLUTION NO. 14-22**

WHEREAS, pursuant to resolution passed by the council adopted March 10, 2014, the city engineer, Wisdeth Smith Nolting, has prepared plans and specifications for the Fosston Inspiration Trail and has presented such plans and specifications to the council for approval.

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

1. Such plans and specifications, a copy of which is attached and made a part hereof, are hereby approved.

2. The City Administrator shall prepare and cause to be inserted in the official paper and in the Construction Bulletin an advertisement for bids upon the making of such improvement under such approved plans and specifications. The advertisement shall be published for three weeks, shall specify the work to be done, shall state that bids will be received by the City Administrator until 2:00 p.m. on _____, 2014 at which time they will be publicly opened in the council chambers of the city hall by the city administrator and engineer, will then be tabulated, and will be considered by the council at 7:00 p.m. on _____, 2014 in the council chambers of the city hall. Any bidder whose responsibility is questioned during consideration of the bid will be given an opportunity to address the council on the issue of responsibility. No bids will be considered unless sealed and filed with the City Administrator and accompanied by a cash deposit, cashier's check, bid bond or certified check payable to the City of Fosston for 5% of the amount of the bid.

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

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 10th day of March, 2014.

Jim Offerdahl, Mayor

Attest:

Charles Lucken, City Administrator

Member Dufault introduced the following resolution and moved its adoption:

**RESOLUTION APPROVING PLANS
AND SPECIFICATIONS FOR THE 2014 BRANDT AVE. NO..
IMPROVEMENT PROJECT AND ORDERING
ADVERTISEMENT FOR BIDS
RESOLUTION NO. 14-25**

WHEREAS, pursuant to resolution passed by the council adopted March 10, 2014, the city engineer, Widseth Smith Nolting, has prepared plans and specifications for the improvement of the following streets and avenues and has presented such plans and specifications to the council for approval:

Brandt Avenue So. between First Street East and C.S.A.H. No. 1

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

1. Such plans and specifications, a copy of which is attached and made a part hereof, are hereby approved.
2. The City Administrator shall prepare and cause to be inserted in the official paper and in the Construction Bulletin an advertisement for bids upon the making of such improvement under such approved plans and specifications. The advertisement shall be published for three weeks, shall specify the work to be done, shall state that bids will be received by the City Administrator until 2:00 p.m. on March 28, 2014 at which time they will be publicly opened in the council chambers of the city hall by the city administrator and engineer, will then be tabulated, and will be considered by the council at 7:00 p.m. on April 14, 2014 in the council chambers of the city hall. Any bidder whose responsibility is questioned during consideration of the bid will be given an opportunity to address the council on the issue of responsibility. No bids will be considered unless sealed and filed with the City Administrator and accompanied by a cash deposit, cashier's check, bid bond or certified check payable to the City of Fosston for 5% of the amount of the bid.

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

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 10th day of March, 2014.

Jim Offerdahl, Mayor

Attest:

Charles Lucken, City Administrator

Lee Cariveau reported on the Fosston Inspiration Trail (FIT) project. This was redesigned due to some changes in easements. When all signatures are secured, the state will give us the go ahead to go to bids. This will be sent to DOT tomorrow. Easements secured: Anytime Fitness \$15,450; Fosston School District \$9,700; Lynn Vergal \$3,700; Betty Vonholdt \$1,250; Calvary Free Lutheran Church \$3,550; Rosehill Cemetery Association – acquisition \$5,400. Lucken reported that Anytime Fitness will donate its easement dollars back to the City. The school has not yet decided if it will donate back.

Council considered approval of BNSF Real Estate Purchase and Sale Agreement for the Second Street South Right-of-Way. BNSF has informed us that in order for this purchase, we need to finalize our purchase on this block. We hesitated because the railroad insisted on a fence being

installed. They have given us one year to install the fence. We had approved the purchase but when the fence became a requirement we did not move further. An alternative to the 6' high chain link fence was use of K barriers. We're looking for something that won't catch a lot of trash. After further discussion the consensus is to proceed with the purchase and work on the fence issue later. Motion was made by Dufault seconded by Lambert to approve the BNSF Real Estate Purchase & Sale Agreement for the Second Street South Street Right-of-Way. Motion carried by unanimous vote.

Council Member Veum introduced the following resolution and moved its adoption;

RESOLUTION
DETERMINING THE NECESSTIY TO ISSUE \$193,000 GENERAL OBLIGATION
EQUIPMENT CERTIFICATES, SERIES 2014A

14-24

WHEREAS, Minnesota Statutes, Section 412.301 authorizes the issuance of equipment certificates within existing debt limits for the purpose of purchasing capital equipment; and

WHEREAS, the statute also provides that if the amount of the equipment certificates to be issued to finance such equipment exceeds 0.25% of the market value of taxable property in the city, excluding money and credits, the equipment certificates shall not be issued for at least ten days after publication in the official newspaper of the city of a council resolution determining to issue the equipment certificates; and, if before the end of that time, a petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular municipal election is filed with the City Administrator, equipment certificates shall not be issued until the proposition of their issuance has been approved by a majority of the votes cast on the question at a regular or special election; and

WHEREAS, the council contemplates issuing equipment certificates for said purpose in an amount which exceeds 0.25% of the market value of taxable property in the city, excluding money and credits; and

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Fosston (the "City"), as follows:

1. Necessity to Issue Equipment Certificates. It is necessary and expedient for the city council to issue general obligation equipment certificates, pursuant to Minnesota Statutes, Section 412.301 in the amount of \$193,000 for the purpose of financing the acquisition of a fire truck and associated equipment for the City.

2. Equipment Certificates in Excess of 0.25% of Market Value. The amount of equipment certificates is hereby determined and declared to be in excess of 0.25% of the market value of the City, excluding money and credits.

3. Publication of Resolution and Days to Lapse Before Equipment Certificates are Issued. The City Administrator is authorized and directed to publish this resolution in the City's official newspaper and at least ten days shall elapse after publication before the equipment certificates may be issued.

The motion for the adoption of the foregoing resolution was duly seconded by member Lambert and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Veum, Lambert, Dufault and Offerdahl

and the following voted against the same: None

Whereupon the resolution was declared duly passed and adopted this 10th day of March, 2014.

James Offerdahl, Mayor

ATTEST:

Charles Lucken, City Administrator

Council Member Veum introduced the following resolution and moved its adoption;

RESOLUTION NO. 23

RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF A \$193,000 GENERAL OBLIGATION EQUIPMENT CERTIFICATE, SERIES 2014A; ESTABLISHING THE TERMS AND FORM THEREOF; CREATING A DEBT SERVICE ACCOUNT THEREFOR; AND AWARDED THE SALE THEREOF

BE IT RESOLVED, by the City Council of the City of Fosston (the "City Council"), Polk County, Minnesota (the "Issuer"), as follows:

Section 1. Certificate Purpose, Authorization and Award.

1.01 Authority. Pursuant to authority contained in Minnesota Statutes, Section 412.301 (the "Act"), the Issuer is authorized to issue its certificates of indebtedness to provide funds for the purchase of capital equipment having an expected useful life at least as long as the terms of the certificates issued to finance capital equipment.

The motion for the adoption of the foregoing resolution was duly seconded by member Lambert and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Veum, Lambert, Dufault and Offerdahl

and the following voted against the same: None

Whereupon the resolution was declared duly passed and adopted this 10th day of March, 2014.

James Offerdahl, Mayor

ATTEST:

Charles Lucken, City Administrator

Motion was made by Dufault seconded by Veum to approve the Developer Agreements for the Johnson Avenue Development Project as recommended by the FEDA board. Motion carried by unanjious vote.

Council considered approval of a Development Agreement between the Northwest Minnesota Multi-County Housing and Redevelopment Authority and the City of Fosston as recommended by the FEDA board. The Housing Authority took bids for a spec house in Fosston. Three bids were received. They were Homark Homes with a bid of \$169,852; Walseth Construction at \$168,000 and Trudeau at \$168,388. The HRA has worked with Walseth before and Walseth is the contractor being recommended. The price for the three bedroom home is \$168,000 plus the cost of a lot which is around \$27,000. Bringing the total cost to around \$200,000. It will be located in the Fairlawn Development. The HRA acts as the general contractor and pays the bills for nine months. If, after nine months, this home does not sell the HRA is asking the City to purchase it from them. The risk is that at the end of nine months the City owns a home and it may have to subsidize the sale. The advantage to doing this is that Fosston is perceived as a progressive City and that perception has value. The concern is what kind of an income does it take to own one of these homes; and the price point may not be appropriate for Fosston. What's the advantage to buying a \$200,000 spec. home versus a \$150,000 existing? As Mayor Offerdahl explained, the original goal was to construct a new home around \$125,000 to \$150,000 but no contractor could bid at that price point. The Mayor then called for a motion to approve the agreement. The Mayor called a second time for a motion to approve the agreement. Lambert made the motion to approve the Development Agreement with the Northwest Minnesota Multi County HRA to develop a single family home in Fosston. Motion carried by unanimous vote.

The Council reviewed the three bids that were received by the NW Multi County HRA for construction of the Single Family Home in Fosston and concurs with the HRA in the awarding of the bid to Walseth Construction. Motion was made by Dufault seconded by Veum to approve the Northwest Minnesota Multi County HRA's award of the bid to Walseth Construction. Motion carried by unanimous vote.

Motion was made by Lambert seconded by Dufault to adopt the Ordinance Annexing the Golf Course property into the City of Fosston. Motion carried by unanimous vote.

Motion was made by Dufault seconded by Veum to refer the Application for Amendment of Zoning Ordinance to rezone Parcel No. 87.00654 (the Daisy Hagen property) and to set the date for the public hearing before the Planning Commission on Tuesday, April 15th, 2014 at 6:30 p.m. The application is the request to rezone from R-1 Single Family Residential to C-I Commercial Industrial. Motion carried by unanimous vote.

Motion was made by Lambert seconded by Veum to approve the quote from Sticky Construction to re-caulk the Fire Hall pre-cast exterior at a cost of \$3,520.00. Motion carried by unanimous vote.

Member Dufault 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. 14-26

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 March 26, 2014 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 Lambert and upon vote being taken thereon the following members voted in favor thereof: Dufault, Lambert, Veum and Offerdahl

and the following voted against same: None

Whereupon said resolution was declared passed and adopted by the City Council this 10th day of March, 2014.

James Offerdahl, Mayor

ATTEST:

Charles Lucken, City Administrator

Motion was made by Lambert seconded by Veum to approve the Application for Exempt Permit from the Brawler Booster Club, Inc. for a Fundraiser on March 29, 2014 at Ventures. Motion carried by unanimous vote.

Member Lambert introduced the following resolution and moved its adoption:

**RESOLUTION AUTHORIZING THE SUBMISSION
OF LOAN APPLICATION TO THE
MINNESOTA PUBLIC FACILITIES AUTHORITY
RESOLUTION NO. 14-27**

BE IT RESOLVED that the City of Fosston is hereby applying to the Minnesota Public Facilities Authority for a loan from the Drinking Water Revolving Fund for improvements to its drinking water system as described in the loan application as the 2014 Second Street South Improvement Project.

BE IT FURTHER RESOLVED that the City of Fosston estimates the loan amount to be \$570,000 or the as-bid cost of the project.

BE IT FURTHER RESOLVED that the City of Fosston has the legal authority to apply for the loan and the financial, technical, and managerial capacity to repay the loan and ensure proper construction, operation and maintenance of the project for its design life.

BE IT FURTHER RESOLVED that the City of Fosston hereby expresses its official intent to use proceeds of this loan to reimburse construction expenditures made prior to the issuance of its general obligation bond to the Public Facilities Authority.

The motion for the foregoing resolution was duly seconded by member Veum and upon vote being taken thereon the following members voted in favor thereof: Veum, Lambert, Dufault and Offerdahl

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 10th day of March, 2014.

James Offerdahl, Mayor

ATTEST:

Charles Lucken, City Administrator

Member Veum introduced the following resolution and moved its adoption:

**RESOLUTION APPROVING THE
FIRM ELECTRIC SERVICE CONTRACT
WITH THE WESTERN AREA POWER ADMINISTRATION**

RESOLUTION No. 14-28

WHEREAS, Fosston has previously entered into Firm Electric Service Contract No. 90-BAO-416 with the Western Area Power Administration (Western), and

WHEREAS, WAPA markets Federal power and energy to firm power customers in the Upper Great Plains Region from the portfolio of Federal hydroelectric generation resources in the Pick-Sloan Missouri Basin Program-Eastern Division, and

WHEREAS, The Firm Electric Service Contract is set to expire on December 31, 2020, and

WHEREAS, The proposed Firm Electric Service Contract No. 13-UGPR-1062 provides for Western to furnish firm electric service to Fosston in accordance with the 2021 Power Market Initiative, and

WHEREAS, the Firm Electric Service contract would retain a reliable long-term source of electrical energy for the City of Fosston from January 1, 2021 to December 31, 2050,

RESOLVED, That the City of Fosston does hereby agree to enter into the Firm Electric Service Contract No. 13-UGPR-1062 with the Western Area Power Administration. The Contract shall have a term of January 1, 2021 to December 31, 2050.

FURTHER RESOLVED, That the Mayor and City Administrator are authorized to execute an Agreement extending the term of the Firm Electric Service Contract as set forth above.

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

Offerdahl, Dufault, Lambert and Veum

and the following voted against the same: None

Whereupon said resolution was declared passed and adopted this 10th day of March, 2014.

CITY OF FOSSTON, MINNESOTA

By: _____

James Offerdahl, Mayor

Attest:

By: _____
Charles Lucken, City Administrator

Member Veum introduced the following resolution and moved its adoption:

**RESOLUTION AUTHORIZING THE SUBMISSION
OF LOAN APPLICATION TO THE
MINNESOTA PUBLIC FACILITIES AUTHORITY
RESOLUTION NO. 14-29**

BE IT RESOLVED that the City of Fosston is hereby applying to the Minnesota Public Facilities Authority for a loan from the Drinking Water Revolving Fund for improvements to its drinking water system as described in the loan application as the 2014 Downtown Street and Utilities Improvement Project.

BE IT FURTHER RESOLVED that the City of Fosston estimates the loan amount to be \$470,000 or the as-bid cost of the project.

BE IT FURTHER RESOLVED that the City of Fosston has the legal authority to apply for the loan and the financial, technical, and managerial capacity to repay the loan and ensure proper construction, operation and maintenance of the project for its design life.

BE IT FURTHER RESOLVED that the City of Fosston hereby expresses its official intent to use proceeds of this loan to reimburse construction expenditures made prior to the issuance of its general obligation bond to the Public Facilities Authority.

The motion for the foregoing resolution was duly seconded by member Lambert and upon vote being taken thereon the following members voted in favor thereof: Veum, Lambert, Dufault and Offerdahl

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 10th day of March, 2014.

James Offerdahl, Mayor

ATTEST:

Charles Lucken, City Administrator

**CITY COUNCIL OF THE CITY OF
FOSSTON, MINNESOTA**

HELD: March 10, 2014

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Fosston, Polk County, Minnesota, was duly held at the City Hall on Monday, the 10th day of March, 2014, at 7:00 o'clock p.m. for the purpose, in part, of calling a public hearing on Modification #1 of the Tax Increment Financing Plan for Tax Increment Financing District No. 1-11.

The following Councilmembers were present: Offerdahl, Dufault, Lambert and Veum

and the following were absent: Carlson

Councilmember Dufault introduced the following resolution and moved its adoption;

RESOLUTION NO. 14-30
CALLING FOR A PUBLIC HEARING ON
THE MODIFICATION OF TAX INCREMENT FINANCING DISTRICT NO. 1-11,
AND THE ADOPTION OF MODIFIED TAX INCREMENT FINANCING PLAN RELATING THERETO

BE IT RESOLVED by the City Council (the "Council") of the City of Fosston, Minnesota (the "City"), as follows:

1. Public Hearing. The City Council shall meet on Monday, April 28, 2014, at approximately 7:00 p.m. to hold a public hearing on the following matter; (a) the proposed modification of Tax Increment Financing District No. 1-11, and (b) the proposed adoption of the modified Tax Increment Financing Plan relating thereto, all pursuant to and in accordance with Minnesota Statutes, Sections 469.174 to 469.1794, inclusive, as amended (the "Act").

2. Notice of Hearing. Filing of Plan. The Administrator is hereby authorized to cause a notice of the hearing, substantially in the form attached hereto as Exhibit A, to be published as required by the Act and to place a copy of the Tax Increment Financing Plan, as proposed to be adopted, on file in the Administrator's Office at City Hall and to make such copies available for inspection by the public.

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

Offerdahl, Dufault, Lambert and Veum

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted.

James Offerdahl, Mayor

ATTEST:

Charles Lucken, City Administrator

There being no further business to come before the Council, motion was made by Lambert seconded by Veum to adjourn.

Charles Lucken, City Administrator