

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA
March 13, 2023

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, March 13, 2023, 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, Steven Lyseng, Sarah Manecke, Dustin Manecke, Shane Linehan, Stephen Larson, Keith Kinnen, Mike Karvakkko, Mary Olson, Andrew Hanson, Tracee Bruggeman and Bonnie Stewart.

Recited the Pledge of Allegiance.

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

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

- A) To approve the minutes of the regular meeting held February 13, 2023, and special meeting minutes from February 24, 2023, as presented.
- B) To approve Accounts Payable Bill Listing #23-03 in the amount of \$66,111.91 and Supplemental AP Bill Listing #23-03A in the amount of \$198,906.17.
- C) To approve Accounts Payable Bill Listing – Omland Court, \$3,525.88.

COMMITTEES/BOARDS/COMMISSION:

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

- Heide reiterated that the 2022 audit went very well & was pleased with the report from Brady Martz.
- Heide included her correspondence to Senators Smith & Klobuchar for FY24 congressionally directed spending funds. The City of Fosston is requesting \$5,000,000 of federal funding to expand our wastewater facility by constructing two new wastewater treatment ponds. Fosston will borrow \$4,000,000 for the local cost share and the remaining \$5,000,000 is expected from a state grant – public facilities grant. The project will cost approximately \$14,000,000.
- Heide noted that the Small Cities Development Program (SCDP) unit has reviewed the preliminary proposals submitted for the 2023 funding cycle. There were 35-40 pre-applications. The City of Fosston was invited to submit the full application which is due May 1, 2023.
- Heide noted that Kinnen prepared a document of the new Aspen Addition development, which has several lots for sale.

- Heide noted that our fireworks show will be July 8th, as part of Fosston's All-School Reunion.
- Heide noted that she included some correspondence pertaining to the special meeting at the end of February. She asked that council come see her if they have any questions.

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

- Lyseng attended the MN Rural Water conference. One of the topics discussed was lead & copper water lines. Lyseng said the MN Department of Health may require them to check each home for lead water lines.
- Lyseng noted that they've had a couple frozen sewer main lines.
- Utility staff has been doing transformer inspections.
- Electrical sales are down a bit, likely due to the warmer weather.
- Staff is doing emergency response training. Also, MMUA is going over natural gas risk factors with staff.
- Lyseng briefly discussed a new garbage can option the city is considering. The city would purchase different size cans for households to use and residents would be billed a minimal monthly fee. The garbage truck would be able to lift the cans; thus, there would be less strain on employees and risk for injury.
- The street department staff has been plowing, cleaning sidewalks, and opening catch basins where necessary.

Civic Center: No report.

Police Department: Dustin Manecke reported on matters pertaining to his department.

- Manecke reported they had 130 calls for service and 16 ICR reports since last meeting.
- Manecke reported on the case where an individual experienced a drug overdose & we had to administer Narcan to save their life.
- Manecke reported on the case where an individual had to be tased & arrested due to threats and non-compliance.
- Manecke & Heide will be working on the COPS federal grant in an effort to hire an additional officer/SRO.
- Manecke & Olson will be doing their DMT certification this week.
- Manecke continues to work with BCA & Zurcher to solve some of the issues that have yet to be resolved.

Community Development:

- Mayor Offerdahl informed the council that the EDA board met at 11:00 a.m. today. Heide noted they had two (2) micro loan applications from local businesses, All That & More and the Fosston Theater. All That & More requested \$20,000 to be used for equipment and building improvements. The Theater requested \$20,000 to be used for

working capital. The EDA board recommends council approve a \$20,000 5yr. 6% interest loan to All That & More and a \$20,000 5yr. 4% interest loan to the Fosston Theater. Motion was made by Anderson, seconded by Mulry to approve a \$20,000 5yr. 6% interest loan to All That & More and a \$20,000 5yr. 4% interest loan to the Fosston Theater per recommendation of EDA. Motion carried by unanimous vote.

- Dufault noted that the board is also working through strategic planning goals. Housing, community, and industry will be a focal point over the next 3 years. The goals will be furnished to council once completed.

Hospital Board: No report.

Arts & Culture Commission:

- Bonnie Stewart reported that three members of the Arts & Culture Commission have submitted their resignation: Heidi Danos, Rhonda Carlin, and Barbara Johnson. Two individuals have agreed to serve on the commission: Janette McColl and Emalia Johnson. Stewart requests that council approve these resignations and appointments. Motion was made by Dufault, seconded by Anderson to approve the three resignations and two appointments per the Commission. Motion carried by unanimous vote.
- Stewart noted that their focus this year is on public art projects. They would like to create a sculpture walk along the FIT Trail and develop a Public Art Master Plan. Their next Art Crawl will coincide with the city-wide rummage sale in June.
- Mulry inquired about the Art sculpture at the FIT trail. Heide noted that McColl will need to find a local contractor to help him disassemble the sculpture. Council asks that Stewart inform McColl that the city would like to have it disassembled/fixed by mid-June.

City Attorney:

- Larson stated he has assisted with the Palubicki's Development Agreement and FIT Trail right of ways.

ISD 601 Superintendent: No report.

Tracee Bruggeman of Brady Martz was present to report on the findings of the 2022 City audit. Bruggeman reported that the city received an unmodified opinion, as they did the prior year.

Council considered approval of an application for exempt permit from First Care Foundation for Tango & Cash, March 25, 2023 at the Civic Center.

Motion was made by LePier, seconded by Mulry to approve the application for exempt permit from First Care Foundation for Tango & Cash, March 25, 2023, at the Civic Center. Motion carried by unanimous vote.

Council considered approval of Tax Increment Financing TIF 1-14 Development Agreement with Palubicki's Apartments, LLC. The City agrees to reimburse the Developer, Palubicki's, for an amount not to exceed \$431,000 of the costs of the development property and site improvements over the next 15 years. The city will provide tax increment financing assistance for the project on a "pay-as-you-go" basis. Heide handed out plans & specs of the 14 apartments to council. Mulry indicated he would like to see a completed visual of the building if possible.

Motion was made by Anderson, seconded by LePier to approve the Tax Increment Financing TIF 1-14 Development Agreement with Palubicki's Apartments, LLC. Motion carried by unanimous vote.

Council considered approval of 2023 liquor license applications:

- a. On Sale (\$1,000) – Ventures Bar & Grill
DaRoos Pizza
Hugo's
- b. Sunday On Sale (\$200) – Ventures Bar & Grill
DaRoos Pizza
Hugo's
- c. Off Sale (\$200) – Fosston Off Sale
Hugo's

Motion was made by Dufault, seconded by Anderson to approve the 2023 liquor license applications. Motion carried by unanimous vote.

Council considered approval of a lease for the Incubator space used by Ignite Youth Center for 2023. The lease agreement between the City of Fosston and Ignite Station Youth Center, Inc. is effective from April 1, 2023, through March 31, 2024. The Ignite Youth Center welcomes all youth in for activities and snacks. Heide noted that they are always looking for more adult volunteers.

Motion was made by Anderson, seconded by Mulry to approve the lease for the Incubator space used by Ignite Youth Center for 2023. Motion carried by unanimous vote.

Council considered approval of Citizens Participation Plan for Small Cities Development Program for owner occupied housing rehabilitation grants. Heide noted that in order to move forward with the full application, the Citizens Participation Plan must be adopted. The citizens of the City of Fosston, especially those who submitted a letter as part of the pre-application, are encouraged to participate in the planning and implementation of CDBG-funding activities. The city will need to conduct a public hearing to identify community development and housing needs.

Motion was made by Dufault, seconded by Mulry to approve the Citizens Participation Plan for Small Cities Development Program for owner occupied housing rehabilitation grants. Motion carried by unanimous vote.

Council considered approval of the Lengby Fosston Knightriders pull tab application. The local permit fee of \$100 was submitted with the application. The Knightriders shall contribute 10% of its net profits from “Pull-tab” lawful gambling within the city to a fund administered and regulated by the city.

Motion was made by Anderson, seconded by Mulry to approve the Lengby Fosston Knightriders pull tab application. Motion carried by unanimous vote.

Council considered approval of Task Order No. 5 from Karvacko PA for construction engineering services for the 2023 Utility & Street Improvement project. The scope of services will provide construction administration and up to 14 weeks of Resident Project Representative (RPR) services for the project. Kinnen was able to get the 2023 Utility & Street Improvement plans & specs from the State being it’s a state aid project. Karvacko proposes to provide these services for a lump sum fee of \$65,000, which Heide stated would keep the city within budget on this project despite switching engineers.

Motion was made by LePier, seconded by Anderson to approve Task Order No. 5 from Karvacko PA for construction engineering services for the 2023 Utility & Street Improvement project. Motion carried by unanimous vote.

Keith Kinnen, Karvacko was present to discuss the Airport, FIT Trail Expansion, 2023 Utility & Street Improvement project, and TAP/Berge Park Sidewalk project.

Airport Reconstruction – Kinnen reported that this project is finally going to bid. The advertisement will be in the newspaper as of March 14th. A pre-bid meeting will be held on March 29th with bid opening to be held on April 11th.

ALP – Kinnen noted that the hangar layout will be revised as part of the master plan. Also, as part of the master plan, the Automated Weather Observing System (AWOS) that sits at the airport will be moved and a new AWOS will be constructed during the summer of 2024.

Kinnen noted that the City of Fosston was not selected for the arrival/departure building.

FIT Trail Expansion – Heide and Kinnen had an ATP grant presentation last month for phase 1 of the FIT Trail Expansion. Five projects were interviewed for, and Kinnen is hopeful that Fosston will be awarded an ATP grant.

2023 Utility & Street Improvement project – contracts are in place, and they are reviewing the plans & specs. They have a few items to address at the pre-construction meeting.

TAP/Berge Park Sidewalk project – no report.

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, motion was made by Dufault, seconded by LePier to adjourn. Motion carried by unanimous vote.

Cassandra Heide, City Administrator